

JPRS-NEA-94-006  
2 February 1994



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# ***JPRS Report***

## **Near East & South Asia**

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JPRS-NEA-94-006

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2 February 1994

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## PALESTINIAN AFFAIRS

### Bassam Abu-Sharif on Self, Peace Agreement

94AA0030B London AL-MAJALLAH in Arabic  
4 Dec 93 pp 20-22, 24

[Interview with Bassam Abu-Sharif by Najm 'Abd-al-Karim; place and date not given]

[Text] Bassam Abu-Sharif, who now serves as personal advisor to Palestinian President Yasir 'Arafat, may seem to be a contradictory figure when we review his history. He began his career in the Popular Front for the Liberation of Palestine with George Habash, the faction that the farthest to the extreme left in order to restore Palestinian rights. He dealt with and struggled with its slogans and ambitions and nearly paid the price of his life. Through his confrontation with the Arab and western press and media, however, he learned the difference between slogans and reality, between politics and dreams.

Al-Sadat and his peace with Israel were a reality the day Bassam Abu-Sharif shook his hand; he was disqualified from the Popular Front and joined 'Arafat's wing, believing in the steps that 'Arafat would take towards peace.

There is a great controversy over Bassam Abu-Sharif: the puzzles, quotations, and contradictions. In its interview with him, AL-MAJALLAH tried to shed light on the puzzle and the contradictions.

['Abd-al-Karim] We often listen to your fiery statements, then find PLO Chief Yasir 'Arafat and other senior PLO members denying them, some saying that these views do not represent the organization. A short time later we discover that what you said was true, and that it is as if their denial never was. Are these the roles you are assigned? You make a statement, they deny it, then they accept what you said?

[Abu-Sharif] You have answered your own question. Media work and credibility are a sensitive and delicate balance, and it does not come in a night or an afternoon. Credibility is built over years, by relying on the truth that one says, and one does not necessarily say everything.

I built my media credibility by telling the truth, but not, as I said, the whole truth. A media person does not say anything erroneous, because that hurts his credibility, and I built this credibility over the years, especially with the global media and the wire agencies.

It has been proved to everyone, despite all the denials, that what I was saying was the truth.

['Abd-al-Karim] Why did the PLO recently issue a statement that made it sound as though you were being thrown out?

[Abu-Sharif] I don't know what statement you're talking about. I haven't read any statement criticizing me. What

has come up recently are the rumors of the media services because of the phone lines being cut in my office. I am telling the truth when I say that the sole, solitary reason for the cutting of the phone lines is that we had no money to pay the phone bills.

['Abd-al-Karim] Some people see this matter of not paying those bills as an excuse, and say that it was the PLO that cut off your lines, to say that Bassam Abu-Sharif has nothing to do with the organization, and so may not speak in its name.

[Abu-Sharif] That is not true. The reason for cutting off the lines was lack of money. In spite of all that has been said in the press, these were the bills for the past four years. They piled up, and the telephone company moved slowly, though now it has cut off the lines, just as they cut off other lines in Tunis because the bills were not paid. I would like these lines to be restored at the first possible opportunity.

['Abd-al-Karim] Including 'Adnan Yasin's—which was open to the Mosad (the Israeli intelligence agency)?

[Abu-Sharif] Well ...

['Abd-al-Karim] Can we talk about it?

[Abu-Sharif] Telephone lines!

['Abd-al-Karim] Not 'Adnan Yasin's open lines to the Mosad?

[Abu-Sharif] The story of 'Adnan Yasin should not be either minimized or exaggerated. Not minimizing this story is that it is a gravely serious matter, as 'Adnan Yasin held a post that enabled him to be in contact with all members of the leadership, to go into any office, and look into many matters. I believe the Palestinian leadership is now in the process of interrogating him and opening files that could lead to heads rolling! I don't know what has gone on in Tunis in recent days, but I believe that President Yasir 'Arafat has formed an investigative committee with honest people to clear up the matter

### Al-Hasan and Qari'

['Abd-al-Karim] What is the meaning of Hani al-Hasan's being appointed to post belonging to Qari', and making four official trips with President 'Arafat? He is the one who made the decision to expel him from the Executive Committee after going to Damascus and agreeing with ten organizations to adopt a stand against the agreement. How do you explain this move? How do you put it in perspective? Were these assigned roles too?

[Abu-Sharif] The perspective is simple: this is Palestinian democracy. The views of the minority are respected, and no decisions are made against them, against the minority, depriving them of their jobs. After the decision was made to sign the agreement, President Yasir 'Arafat asked everyone, whether dissidents or



supporters of the move, to enact this agreement and proceed on the road to peace.

Hani al-Hasan is a member of the Palestinian organizational and legislative institutions, and a member of the Central Committee of Fatah; he has an active role. As to his being appointed chief of the negotiating team in the multinational talks, this is a sign that Hani al-Hasan, despite his dissident stance, has embarked on action to get the agreement enacted.

[Abd-al-Karim] I think the Palestinian democracy you are talking about is different from the political corridors, which go on in their normal fashion. There are those who talk about you yourself, when you were a member of the Popular Front, and when you suddenly joined the ranks of President 'Arafat. We don't know why you made the move: was it ideological, or was it a search for a niche for yourself? How do you explain all this?

[Abu-Sharif] Let us begin with the end of the question. For my part, my leaving the Popular Front was the result of political positions. I am convinced that the political line of President Yasir 'Arafat is sound, and that the Palestinians are entering a new phase that requires them to review their position in the world, and to know that the contradictions of this world are no longer contradictions based on the balance of military power. This world is seeking stability based on economic competition; for the first time the interests of the world are in line with the establishment of a stable Middle East. In order for it to be established, the Palestinian problem must be solved. My political difference with the authority was what made me leave the Popular Front, and led the Popular Front to expel me openly when I shook hands with President Husni Mubarak at the African summit in Addis Ababa.

As to Brother Hani al-Hasan, his meeting with the ten organizations, and the issuing of the declaration—we had invited all of them, including the Doctor [Habash], the Popular Front for the Liberation of Palestine, and the Democratic Front, once again to join the institutions of the PLO, in order to rebuild the infrastructure of Palestine, and to develop the economic state of Palestine. We are beginning with a first step, i.e., Gaza and Jericho, because the road is a long one, and we have no illusions. The thing is for everyone to work on rebuilding, and on ending the occupation of Palestinians in the occupied territories.

#### Gaza-Jericho

[Abd-al-Karim] Are you one of the optimists about the Gaza-Jericho agreement?

[Abu-Sharif] The truth is that I have criticisms of the agreement, and voiced them in the proper forums, but in general I am optimistic about the general course I see clearly coming from the Middle East. It is the most sensitive region of the world, with the strategic interests of the West and the vital interests of the peoples of the Middle East. There is a congruence, at this very

moment, the historic moment, between the vital interests of the world in the Middle East, and the establishment of a stable Middle East. Now, they are not maintaining these interests just because they love the Arabs and the Palestinians.

The West is seeking to create a stability in the Middle East that will prevent explosions, prevent wars, and so that the global groups involved in the Middle East may benefit from its resources and markets. The Middle East problem has also become, for the first time in 50 years, clearly linked in the mind of the West, and in the mind of the United States, with a solution for the question of Palestine, and an end to the Israeli occupation of the Arab territories. How can stability take hold as long as Israel has not withdrawn from the territories it occupied in 1967, without, in Reagan's phrase, "land for peace," first stated in 1982, and subsequently reaffirmed by President Bush when he announced the initiative that led to the Madrid peace conference, and the acceptance of the peace process so far.

I am optimistic about the general course, starting with the congruence of the world's interests around the stability of the Middle East. On the other hand, I believe that Israel is in a very tight spot, perhaps a tighter spot than many of the Arabs. It is a difficult spot economically, spiritually, and strategically. I believe that the new generations in Israel are now convinced that there is no alternative to ending the occupation and getting rid of the Judaea and Samaria ideology which in itself has been an obstacle for long years. A step forward to ending the occupation and establishing peace with the Arabs enabling Israel to live in a world of big fish and little fish. As long as the little fish stick together in a school that cannot be swallowed by the big fish, they go, and they go like the wind.

Israel, too, is defending its interests, and not because it loves the Arabs, or is giving in to the wishes of the Americans. All these factors have convinced me that we must seize this historic moment, from its circumstances, and take a step forward. Gaza-Jericho is a first step on the road to the establishment of a Palestinian national authority in the territories occupied in 1967, then confederation with Jordan, and these will be followed by many developments in the Middle East, leading, perhaps, to the establishment of a common market to protect the interests of the peoples of the Middle East.

[Abd-al-Karim] This is the political strategy you are discussing from one position; the matter would move smoothly according to your ambitions as Palestinians. But will the Israeli side think the same way? Or will it go the same way with you?

[Abu-Sharif] I see the general course just as clearly as I can see you. At the same time, I have no illusions about this course being an easy one. There will be difficulties. There is an opposition in Israel, and there are extremists, just as we have an opposition and extremists. There are countries in the Middle East opposed to this course,

though the majority, of course, support it. But we have no illusions. If the thing were easy, then why negotiate? The negotiations have one justification, which is to solve the problems pending between the two sides, and to reach compromises. I believe that this process will gradually build its inner dynamic.

[Abd-al-Karim] For you or for the Israelis?

[Abu-Sharif] For all the sides, like a snowball: the farther it goes, the bigger it gets. Everyone will be persuaded by the start of the economic wheel and the building, or rebuilding process. Everyone will be persuaded that peace means economic development, that peace means wide-ranging prosperity; that peace means a morsel of food.

#### Edward Sa'id's Opinion

[Abd-al-Karim] Edward Sa'id wrote in THE GUARDIAN of Britain that "secret negotiation between strong and weak is often at the expense of the weak, and in the interest of the strong. When the PLO went to Oslo and consented to secret negotiations, it contented itself with the weaker position." What do you think about that?

[Abu-Sharif] I salute Edward Sa'id, the intellectual and writer, who is as far as possible from politics and political thinking. If Germany had refused to negotiate its surrender, we would not be seeing a strong Germany now. Political thinking is one thing, theories about weak and strong are something else. The strategic dimension of the Palestinian question will continue to exist. Had the Palestinians been weak, the Israelis would have put an end to them and to the Arab organizations over the last 45 years. They have waged wars against us that might have eliminated some other peoples.

It is enough for me to remind Edward Sa'id of the battles in Jordan and the battles in Lebanon, of the PLO's other battles against Palestinians! Of the starvation in the camps, the destruction of the camps, of Israel's 27-year occupation of the West Bank and the Gaza Strip. I would also remind him of the 900,000 Arabs still in Israel as Israeli citizens, who are still Arabs who speak Arabic, who are proud of Arab poetry, and who give their children a good Arab upbringing. So we are strong; had we not been strong, Israel would not have sat down to negotiate with us on the basis of ending the Judaea and Samaria ideology—all their generations have been brought up to believe that [Judaea and Samaria] are an inseparable part of Israel.

[Abd-al-Karim] What concerns the Americans and the Egyptian mediators now is Syria's position, which rejects the secret agreement. Do you expect success on the Syrian front?

[Abu-Sharif] The Syrian-Israeli axis is progressing. I expect the signature of an agreement in the near future; I also expect a Jordanian-Israeli agreement to be signed

in a few days. And, of course, a Lebanese-Israeli agreement. It would be a mistake, however, to imagine that our problem, us, the Palestinians, is the problem of the occupation of the Golan or the occupation of the border strip [of Lebanon]. Syria is a fully existing state, with its people on its territory, its sovereignty in force over its land; there is a piece of occupied Syrian territory called the Golan. The issue between Syria and Israel is the schedule of Israel's withdrawal from a piece of land belonging to an existing country that has its own institutions, its people on its land, and its sovereignty in force. The same is true of Lebanon. The issue between Lebanon and Israel is the occupation of the border strip. Us, we have two issues; the first is actually Israel's withdrawal, and the second is the Palestinian people's right to self-determination and the establishment of institutions and sovereignty over the land which had heretofore not existed.

Since 1948, the Palestinian people have lived under an Egyptian mandate in Gaza, and attached to Jordan in the West Bank.

So we have two issues, and a solution to our problem will come in two phases. This has been agreed upon. On this basis, all of the Arab negotiating sides have participated in 10 rounds of negotiations. What we advanced in the declaration of principles was a first step on the road to finding a solution to one of the two questions, and the two questions together: as a first step, Israeli withdrawal from these areas and giving the Palestinian people the rule of a national authority throughout the territories. It is not true that the Palestinians isolated themselves or were isolated. The only peace with Israel that has any value for us is a comprehensive peace. That means a peace in which all the Arabs meet to sign on the basis of land for peace with Israel.

#### The Economic Aspect

[Abd-al-Karim] In your interview you are focusing on the economic aspect. Don't you agree with me that the statements of Peres and Rabin call for a Middle East economic policy that would mean prosperity for everyone, including Israel?

[Abu-Sharif] Don't you agree with me that such talk of a Middle Eastern economic market are premature?

There can be no real progress at this level until a comprehensive peace has been realized. The Arab position here is absolutely clear, both in terms of the multinational meetings, and when the United States asked the Arabs to annul the Arab boycott resolutions. There can be no cooperation so long as there is no comprehensive peace, and comprehensive peace means the return of all the territories occupied in 1967, giving the Palestinian people its total right to self-determination. At that time, discussion of the establishment of a common market in the Middle East will become not only possible but, in my opinion, natural.



[Abd-al-Karim] Did you know about the accord or the secret talks going on in Oslo?

[Abu-Sharif] I had absolutely no idea. I was like many of the members of the leadership: in the dark about it. This was clear, with the use of staff that was not very well known to negotiate with the Israelis, so that it would remain quiet and hidden.

[Abd-al-Karim] It's as if in this interview you want to grant legitimacy to the Israeli presence in the region, even though we were brought up to believe that the Zionist state had stolen part of Arab territory.

[Abu-Sharif] Facts are facts, whether we like it or not, both for those who still call for the liberation of Palestine from the river to the sea, and those who signed the land-for-peace agreement. Israel is a fait accompli, and it is practical and necessary for our minds to deal with this; otherwise our people will remain under occupation, and we will remain in this miserable condition.

The agreement that was signed is a declaration of principles and a first step on the road to establishing a Palestinian national authority in a Palestinian state on all the land occupied in 1967. It is based on the initiative established by the Palestine National Council [PNC]. It is the PNC that established recognition of Resolutions 242 and 338, and the recognition of Israel in return for the establishment of a Palestinian state on the land occupied in 1967.

These are the facts; this is what those who do not want to remain in dreams and illusions must deal with.

But the signature of this agreement does not prevent those who want to dream or imagine or continue in the strategic defense of the historic right of the Palestinian people, from doing so!

I must say that it is not only the right but the obligation of our writers and intellectuals to keep on talking about this. With politicians it is different: they are dealing with it with the freedom of a people being crushed under occupation, with a morsel of food for these people, and their future.

#### Regarding Acceptance

[Abd-al-Karim] We rejected Resolution 181 in 1947, and we rejected the proposals of the Palestinian Communist Party, which called for keeping the partition. We did not listen to Bourguiba's appeals, and Resolutions 242 and 338 were rejected. Al-Sadat was killed because of his visit [to Israel]. You were one of the rejectionists in all these things. What new factor came along for you to consider a policy of accepting reality?

[Abu-Sharif] This is true. It is also true that there were resolutions adopted after all those you listed. There is—on 15 November 1988, the PNC resolution to build a new strategy. There is the declaration of a Palestinian

state; there is the consent to Yasir 'Arafat's initiative, plus the decision to go to Madrid.

These too are resolutions, and if they prove anything, it is that the Palestinian mind is not rigid, but flexible. Every resolution must be assessed at its time, and in the circumstances in which it was adopted. For example, today we cannot judge a decision made by Palestinians 40 years ago in their own circumstances.

These developments show that the Palestinians, and Arabs, too—because the Palestinians are not going it alone—have received the news in this world and been able to learn the facts of the matter and the conditions the world is going through. The Middle East is part of the world, and they were able to draw a new political line; not one that would remove them from the political map, but to put them at the heart of the political map. I say this is a healthy sign. It indicates that the Arabs know what is going on around them and have become capable of defending their interests, instead of being unaware, as McMahon and British and French colonialism, and even the Israelis, made them in the past. They—the Israelis—fooled numerous Arab organizations, who cooperated with them to impose suffering on the map of the Middle East.

[Abd-al-Karim] As long as we are talking about regimes, permit me to point out that you in the PLO were dealing with most of the regimes, and with their diverse ideologies, in a balanced fashion. With the exception of the Kuwait affair, that is, because your tilt towards the Iraqi regime cost you the balance you had had.

[Abu-Sharif] Frankly, I believe that there is a muddle and a mistake. The muddle is in interpreting the Palestinian position. The Palestinian position was clearly against the occupation, for Iraq's withdrawal from Kuwait, for the withdrawal of the foreign forces, and for avoiding war and the calamities of war. The mistake was one of expression; a great many expressions from some Palestinian leaders made our position seem as though it supported the occupation of Kuwait. No, we did not support the occupation of Kuwait. Naturally, there were some who supported it, just as in the Arab world there were some for and some against, but the Palestinian position was against Iraq's occupation of Kuwait.

[Abd-al-Karim] So, what do you call some Palestinian military units that were in Kuwait, with some of them questioning Kuwaiti citizens in interrogations?

[Abu-Sharif] I don't think there were any Palestinian military units in Kuwait at all.

[Abd-al-Karim] Some people say that there were Palestinian forces side by side with the Iraqi forces.

[Abu-Sharif] There was the Arab Liberation Front, and the Arab Liberation Front, as you know, is a branch of the Ba'th Party in Iraq, not a Palestinian organization. Here I am not denying that some Palestinians took a certain position, but it was not the official one.



The official position was clear, and I am aware of the details due to the letters sent to numerous Arab and international figures. Our position, in its first paragraph, called for Iraq's withdrawal from Kuwait and the formation of an Arab political committee to find a political solution to prevent war and spare the Arabs its calamities.

#### **Persuading Saddam Husayn**

[Abd-al-Karim] Is it true that Salah Khalaf (Abu-Iyad) clashed with Iraqi President Saddam Husayn during the invasion?

[Abu-Sharif] The fact is that the Palestinian leadership's meetings with Saddam Husayn were for the most part attempts to persuade him of a political solution, attempts to convince him that it was essential to withdraw from Kuwait, attempts to convince him that the war would bring destruction upon everyone. Unfortunately, all that was shown on television was Abu-'Ammar embracing Saddam Husayn, and this image was put to evil uses, to harm the Palestinian position. Regarding the assassination of Abu-Iyad during that crisis, it had no connection with what you mention. Another Palestinian faction assassinated him.

[Abd-al-Karim] How will you confront Hamas inside the territories? They oppose the agreement.

[Abu-Sharif] Hamas is against it. They have the right to express their view, and we respect their opinion, but we demand that they go along with the majority decision. The majority decision is the Palestinian decision, and internal conflicts will not be solved by the use of violence. That much is agreed upon: freedom to express opinions and the democratic struggle.

[Abd-al-Karim] What about the intifadah?

[Abu-Sharif] The intifadah is the popular resistance to occupation. If the occupation ends, there is no need for resistance!

[Abd-al-Karim] But large areas of national territory are still occupied.

[Abu-Sharif] No, this is a first step. The first step is Gaza and Jericho, and within nine months from this step, according to the agreement, come the rest of the West Bank territories. The question of Jerusalem remains to be negotiated in the next phase.

I bid Bassam Abu-Sharif good-bye, convinced that he had not said everything, and we agreed to meet again when the first and genuine step is made: the day of the withdrawal of Israeli forces from Gaza and Jericho in a few weeks.

#### **Results of Reform, Executive Committee Talks**

94AA0030A London AL-SHARQ AL-AWSAT in Arabic  
14 Jan 94 p 2

[Unattributed article from Amman: "Executive Committee Not Acting to Limit 'Arafat's Individual Control"]

[Text] A member of the Palestinian Democratic Reform Committee, headed by Dr. Haydar 'Abd-al-Shafi, has declared that the committee achieved no specific or palpable results in its meetings with the Executive Committee and President 'Arafat in Tunis last week. The only exception was a national dialogue committee; 'Abd-al-Shafi was entrusted with forming a National Dialogue Committee, and with following up on this task. The Executive Committee confirmed that the constitutional document announced had not yet been enacted by the committee. It had been submitted for popular discussion and for specialized parties to discuss it and to propose any amendments and submit them to the Executive Committee. As to the other proposals, a member of the Reform Committee, who refused to identify himself, said that its acceptance in principle was, in actual fact, merely a polite rejection, or an effort to escape and be elusive.

The advisory committee, proposed by what is called the Planning Council of the National Council, an ineffective council that has not played any role since it was founded in the second session of the National Council more than 20 years ago, and the Manpower Development Department were gutted of their purpose and abridged by modernizing the Palestinian Data Bank, in place for more than 12 years. As regards elections, the general impression we came away with is that the topic of elections was left open to many different possibilities, as the realization of the importance and necessity of holding them does not rule out the possibilities of avoiding them or emptying them (were they to be held) of their meaning.

A member of the Reform Committee added, "The positions and participation of our fellow members of the Executive Committee who took part in the meetings were not helpful to the delegation in its task. They have ranged from utter silence and aloofness to our requests, coming up with pretexts and excuses, to support, confirming our preliminary impression that Brother 'Arafat is still the one who makes the decisions, and that the other members of the Executive Committee make no effort to limit this individual control. They are resigned to this fact." Despite this, the Reform Committee member says that the results the committee achieved on its own constitute a step forward, albeit a small one, and that the process must go on, in various forms, building on this step, in order to achieve decisive reforms, dealing not only with the existing institutions of the PLO, but with the structure, institutions, and departments of the national authority. This way, it will be democratic and attract our people's many qualified cadres to join. He

added that the memorandum as a format and framework of the action had achieved its ends, but the democratic demands it contained still stood, and that action had to be pursued to achieve them and to turn them into solid proposals. Reform, in its old concept, and the obsolete action linked to it, are not in force. What needs to be done is for demands to be brought forward for the building of the new national sovereignty with its various agencies, departments, and institutions. The Reform Committee delegation, which visited Tunis, may have seven members: Dr. Haydar 'Abd-al-Shafi, Ibrahim Abu-Ayyash, Dr. Taysir 'Aruri, Tawfiq Abu-Bakr, Nabil 'Amru, Dr. 'Abd-al-Hafiz al-Ashhab, and Ghazi al-Khalili. Zuhayrah Kamal, representative of the women's component in the territories, will be associated with the delegation.

The meetings with the Executive Committee chaired by 'Arafat yielded the following provisions:

1. To form an advisory committee for the Executive Committee, with a number of experienced, qualified, and credible persons, and of varied fields of expertise, which will study the issues and topics submitted to the Executive Committee, to advise and consult on them before they are decided.
2. To form two advisory committees, one each in the West Bank and Gaza Strip, made up of capable and credible persons who represent the political and social fabric of our people in the territories, in such a way that each of these two committees might be a national authority in local issues of the political leadership (the Executive Committee), submitting to it advice and consultation in domestic issues in all that relates to the building of the institutions of the national authority, its attendant departments, etc.
3. To create a department to deal with development and the evolution of manpower, as one of the departments of the PLO. This office would be concerned with updating the Palestinian data bank to collect and compile Palestinian resources both in the diaspora and in the country, to prepare precise information about them: their qualifications, fields of expertise, and practical capabilities, to be at the disposal of the Executive Committee and its institutions as needed. It will also prepare the program and practical plans for training and retraining. It will train the cadres of the Palestinian revolution and the workers who are proposed for work in the institutions of the national authority and its various departments.
4. To improve our negotiating mechanism as a political command and negotiating committees, to move away from improvisation in defining policies and selecting negotiating committee members, relying on defined authority to monitor the negotiating delegations in receiving information from them or relaying instructions to them, putting an end to the acquisition of

multiple communications and contacts with the negotiating delegations, depending on standards of capability, experience, and specialization in selecting members of the negotiating committees.

5. To hold elections for the legislative council proposed for the national authority on its appointed date this coming July, in accordance with democratic and contemporary election law. These elections should not be postponed or avoided, regardless of excuses, pretexts, or justifications.

In addition, to submit the constitutional document prepared by the Legal Committee to the people for discussion, for their comments and amendments, to review it in that light, so that it may be a democratic constitutional document, conforming to the democratic principles contained in the declaration of independence, such as: the establishment of democracy as our method, respect for opinions and opposing opinions, political pluralism, the rights of women, etc.

6. To form a National Dialogue Committee made up of independent figures who enjoy the confidence and respect of all levels of our people. This committee would conduct an expanded national dialogue, including not only what are called opposition factions, but the diverse factions and groups of our people at home and abroad, with the aim of achieving a state of national harmony founded on a commitment to democratic dialogue in managing domestic relations on the Palestinian scene; respect for political pluralism and for all shades of opinion; and coordinating national efforts to build the Palestinian national entity on the basis of commitment to the establishment of an independent Palestinian state.

#### Economic Council Member Criticizes 'Arafat

94AA0025A Beirut AL-SAFIR in Arabic 15 Dec 93 p 11

[Interview with Dr. Yusuf Sayigh, Palestinian Economic Council member; place and date not given: "Dr. Yusuf al-Sayigh Tells al-Safir the Entire Story of the Palestinian Economic Council; Economic Separation From Israel Requires Surgery, and We Will Perform It; Future Competition Will Be Between Israel and Lebanon; Issuing Palestinian Currency Is a Risky Adventure"]

[Excerpt] From the position of an expert academic, Dr. Yusuf Sayigh talks about the Palestinian occupied territories' economy after occupation. Embarking on the details and dwelling on an explanation of the causes and results, the economist renounces the game of loyalty and opposition and becomes a technician who tries to control damage and make the promised start the best start possible.

One is amazed by the enthusiasm of this man, who was born in Acre in 1916, and by his determination to face the difficulties—and they are many—that obstruct, in his opinion, the rescuing of the occupied territories' deteriorating economy. He is not a politician and has no



right to despair. Economy is a science and cannot endure bargaining or withstand failure.

Sayigh, a part-time adviser to a number of Arab economic establishments and a member of the Palestine National Council since it was founded in 1964, seems to be the liaison between the PLO, in its capacity as the future government in the occupied territories, on the one hand and, on the other hand, the IMF, the World Bank, and the aid-granting countries. Sayigh, along with Ahmad Quray' (Abu-'Ala'), tries to reconcile what is economic to both sides with what is political.

AL-SAFIR interviewed Sayigh, who talked about the scheduled economic plans, about the obstacles facing them, and about the occupied territories' real needs, as compared with what is actually projected. Sayigh pointed out that all projects are still in limbo awaiting a final political decision, which is supposed to be made by the PLO or, to be specific, by PLO Chairman Yasir 'Arafat.

In the interview Dr. Sayigh explains the reasons he moved away from Tunis lately, where he was confronted with the problems of bureaucracy and of exclusive decisionmaking, and where he could no longer continue to be a spectator watching catastrophic mistakes being made in preparing for the Palestinian future. He recounts the story of how the Palestinian Economic Council was formed and discusses the debate with the World Bank, the Palestinian economy's future and role, Israel's future plans, the region's future economic conflicts, and the endeavors to promote the so-called Mideastern market. Here is the text of the interview:

[AL-SAFIR] Economic issues continue to represent the most important aspect of the accord...

[Sayigh] I was away from Tunisia—I was in Lebanon—when the accord was announced on 13 September, and I was surprised by it. But I am not opposed to the accord. However, we could have gotten more economically, especially since Israel seeks to cross into the Arab countries economically through the accord. Had Palestinian negotiators mastered tactics, they would have achieved greater economic gains.

[AL-SAFIR] So Israel wants the new Palestinian entity to be a bridge to the other Arab countries? How can this be accomplished tangibly?

[Sayigh] Even though most Arab states are eager to lift the boycott of Israel, they say that it cannot be lifted unless Israel reaches a settlement with the Palestinians. Theoretically, these states are in a state of hostility and war with Israel. The only card they hold is the boycott card. Recognition is not a card in the Arabs' hands. Consequently, we have had to fight for the only remaining card. What could we have obtained? Now, we (Palestinians) and the Israelis have become like Siamese twins economically. The appendices to the accord show that we are strongly tied to the Israelis economically and that we will end up turning our back on the Arab

economies. It will not be easy for us to separate from the Israelis. The matter will require "surgery," and we will be compelled to perform this surgery.

[AL-SAFIR] Fundamentally, did this link with Israel not exist prior to the accord?

[Sayigh] It existed in spite of us. Now it has become stronger, with our signature, and herein lies the danger. Initially, the link was imposed on us by a colonialist and occupying power. Now we have put our signature to the accord. Thus, the link has been given our approval.

[AL-SAFIR] Does the accord not represent an endeavor to disengage from the Israeli economy?

[Sayigh] This matter is negotiable.

[AL-SAFIR] How can this be accomplished? A World Bank report talks about a customs union, about the banking sector's role, and so forth. These are points on which you negotiated with the World Bank point by point. So what is the true nature of the ongoing struggle concerning economic issues?

[Sayigh] Let us take, for example, the trade relationship: should it be a free trade zone or a customs union? Israel has not projected either of these two options because it is experiencing an internal struggle. Merchants want a customs union and industrialists want a free trade zone because a zone of this kind allows each partner to establish the customs barriers it wishes vis-a-vis the outside world, be they high, low, or moderate barriers. Israel expects us, as a small and young country, to purchase our needs at the lowest prices so we can manufacture, produce, and so forth. Therefore, we need our tariff to be lower than Israel's.

If this comes true and such a tariff is established, we will import electronics, for example, and sell them on the Israeli market because there will be no borders between us and Israel, according to the free trade zone. Such a situation will harm Israeli merchants. A customs union means that there will be a single customs tariff for both sides. This will not suit us. Israel's production is much greater than ours and Israel does not import from abroad as we do. Therefore, it is in our interest not to raise our tariff so the prices of our commodities will not rise, whereas it is in Israel's interest to raise its tariff so as to support its products. A union will require us to raise our prices artificially.

[AL-SAFIR] So the dilemma is in the need for economic independence and the impossibility of this independence at the same time?

[Sayigh] If Israel lifts its hand and allows us freedom of economic decisionmaking, then we can do what we wish. We can, for example, build a new road network. The road network has developed greatly—not the roads that link our villages with each other but the roads that link the settlements with each other, and the settlements are located in the territories occupied in 1948. The same



applies to electricity. Like Beirut, the occupied territories suffer from rationing and power outages. This also goes for water. The Jewish settler gets sixfold the amount of water a Palestinian citizen gets from our waters.

If we controlled our economic decisionmaking, we would control all these issues. Now, we are destined to use Israeli electricity for one year or more. Private Palestinian electricity companies cannot meet all the demand. Jerusalem has an independent electricity company, but this company is unable to meet the demands of all Arab citizens. The same goes for Ramallah.

[AL-SAFIR] But the accord stipulates a united electric power network?

[Sayigh] The accord states that if the Palestinians wish to establish their own electric power company, they may do so.

[AL-SAFIR] In such a case, will priority be given to the infrastructure or to something else in the first phase, which is scheduled to begin either after the 13th of next January or of next April?

[Sayigh] This will be determined in two years, not now. The World Bank program is a two-year program. It is within the World Bank's conditions and powers to study the economy of all the territories occupied in 1967 and to conclude its study with developmental visions and proposals, provided that the emphasis is put on the public sector's role and on infrastructure. No reference has been made to agriculture or industry and only a distant reference is made to the tourism sector. The program focuses on the physical infrastructure, i.e. roads, electricity, and telephones; and on the social infrastructure, meaning education, health, and training.

[AL-SAFIR] And housing?

[Sayigh] The World Bank refused to include the population in its program. Insofar as the West Bank and Gaza Strip refugee camps are concerned, we basically refuse to discuss their future on the basis of keeping them where they are, considering that their future is governed by resolution 194 of 1948—a resolution that stipulates the right to repatriation.

[AL-SAFIR] So will this issue be ignored?

[Sayigh] No. We have estimated that there are nearly 20,000 housing units (out of a total of 185,000 units) that are in very poor condition. We will start replacing these units. There are 185,000 units in each of the West Bank and Gaza Strip, including enough units to accommodate the 1967 refugees, whom we think will return. Israel has now permitted the repatriation of 5,000 refugees annually, which means that an entire century is needed to repatriate all of the 1967 refugees.

We also have a program to replace the housing units in poor condition outside the camps. There is terrible overcrowding. One finds an average of no less than three persons living in a room with an area of no more than

four square meters. So, we need a total of 185,000 housing units. The World bank has refused to discuss this issue, expressing the opinion that it requires a political decision. We rejected this position because everything requires a political decision ultimately.

When the World Bank issued the first version of their program last spring, they asked to meet with me. We met in Amman and discussed the issue for nine hours. They embraced 70 percent of my observations concerning the housing issue. They said that they will discuss the housing issue if the right to repatriation is permitted. After modifications, we met with them again before the final decision was made in Washington. All the countries involved in the multinational negotiations, i.e. 40 countries, participated with us in that meeting. I headed the Palestinian delegation. The meetings lasted two days, 20 and 21 September [1993]. I was able to convince them that the allocations for infrastructure were very meager. They had allocated a sum of \$3 billion for a period of 10 years, whereas our estimates showed that a sum of \$4.3 billion was needed over seven years, i.e. more than their estimated figure. Finally, they acknowledged that they had to reconsider the matter, and they raised the sum to \$5 billion.

At the meeting, which will be held on the 16th of this month (tomorrow) in Paris, the final version of the World Bank program, which is being modified in light of the observations I sent to them, will be presented. It is said that they have allocated \$80 million to build housing in the West Bank and Gaza Strip throughout two years in order to replace the units in poor condition. But we have found that the minimum cost of a housing unit with an area of 100 square meters and capable of accommodating six individuals is estimated at \$20,000, excluding the land (state-owned land) which will be granted by the government. This cost also excludes water and electricity, which will have to be supplied from outside. This means that the \$80 million will build no more than 4,000 units and that this \$80 million is one-fifth the needed sum. They have amended the sum for housing, but it is still less than what we are asking.

As for electricity, we seek to create the ability to generate enough electricity to meet the occupied territories' needs. But this will take time. To reach this stage, we have two options: either supply Gaza with electric power from Egypt and the West Bank with electric power from Jordan, if they have a surplus, or emulate the "Beirut formula," i.e. purchase big generators to supply individual quarters until we are able to establish a central power-generating capacity.

#### Economic Council

[AL-SAFIR] Where did the discussion that was held at one time on forming a Palestinian economic council lead and what are its guarantees?

[Sayigh] I will tell you about the council's background. I, Tony Zahlan (a retired A.U.B. professor), and Abu-'Ala' developed the concept of PEDRA. We emerged with the

formula for an organization which we called the Provisional Economic Development and Reconstruction Agency, or authority. We said that this was a temporary formula because the agency should not remain independent and that when the state completes its structures, this agency must become a part of the state, either as a development board similar to the one in Lebanon or as an agency divided into smaller parts, with the road construction section attached to the ministry of public works, and so forth. We proposed this formula, realizing that the resources that we are scheduled to receive within five years, i.e. \$2.4 billion, would make many drool. An honest man will not steal, but he will do his family and friends favors, and so forth. This is why we decided that means have to be established to control the process; that the board of governors has to operate very openly and has to submit annual reports to be published; that internal and external accounts have to be audited by a well-known international firm; that we have to emphasize capability primarily; and that salaries have to be adequate so that employees will not be compelled to accept bribes or to leave us if they get better offers.

Because immense sums of money are involved, politicians, especially Executive Committee members, have felt that this agency would have major powers. To eliminate these fears, we proposed the creation of a higher council, called the Higher Economic and Social Council, to supervise the board of governors. We proposed that the council include 40 or 50 politicians and Executive Committee members and be headed by Abu-'Ammar. We also said that the board of governors should be formed of no more than nine members who are experts on the settlement issue, i.e. engineers, economists, and financial and social experts, provided they are accountable before the higher council. This council will assume an advisory character and will meet twice a year.

[AL-SAFIR] Where will you meet: in Gaza or Jericho?

[Sayigh] In whichever place can accommodate us.

[AL-SAFIR] So Gaza is more likely.

[Sayigh] Gaza is crowded to start with. I am apprehensive about Gaza because it means reliance on the Egyptian civil administration.

So, we proposed the advisory council formula, provided that the main powers and the power to follow up on, implement, and amend programs is in the hands of the board of governors, which will be accountable before the higher council. This formula was proposed in mid-September [1993]. I was assigned to head the Palestinian delegation and to go to Washington and hold discussions with the World Bank and attend meetings of the aid-granting countries.

We learned that the aid-granting countries wished to be familiarized with the form of the council we had proposed because these countries do not give their money away easily. But I could not announce any formula

before the World Bank or before the aid-granting countries without a political cover. This is why Abu-'Ala' conveyed our vision to Abu-'Ammar, who said that the formula was good and gave it his approval. But Abu-'Ammar said that he could not give us written approval because he is a "democratic man who deals through the institutions and has to present the formula to the Executive Committee." He added that they had created a Higher Palestinian National Committee—of whose members only the chairman has been appointed to date—and that the formula had to be presented to this committee before it is given written approval.

I told the World Bank that we had not yet obtained written approval but that there was oral approval. World Bank officials literally told us that they wished to see such a formula but they did not demand it explicitly so they would not look like teachers and we like students.

Our formula was identical to their vision. The aid-granting countries and the World Bank approved it unanimously.

Moreover, the working team concerned with the region's affairs at the State Department, headed by Ross Kurtzer and including others, invited me for a discussion on the development program and our vision of how to implement it. The U.S. Treasury Department, represented by Under Secretary Summers, and Mrs. Spero, under secretary for economic affairs at the U.S. State Department, also met with me and supported my program. The 40 aid-granting countries also supported it fully on 27 September.

[AL-SAFIR] Did they support the mechanism?

[Sayigh] They supported the mechanism, the concept, and the projects.

[AL-SAFIR] You proposed this formula on the basis of an economic logic. But Washington has its political reasons also. If the PLO's political authority in Gaza-Jericho is limited; if its security authority is inadequate; and if the political authority is stripped away from it; then the PLO will be left practically naked. Is this not Washington's political goal?

[Sayigh] We did not forget the political aspect. This is why we proposed creation of the higher council under Abu-'Ammar's chairmanship.

[AL-SAFIR] The West and the aid-granting countries propose the formation of an independent commission which would have political independence.

[Sayigh] Yes, this is what they want. I explained our proposal to them and told them that it has to be approved by the Executive Committee and other institutions.

[AL-SAFIR] Where the Gaza-Jericho accord is concerned, perhaps this point has the greatest degree of overlap between economics and politics?

[Sayigh] We, too, realize that people have to see economic benefits in the accord. Otherwise they will rebel against it. I am not opposed to the presence of economic benefits.

[AL-SAFIR] What is the format needed to preserve the proposed formula and the PLO's role simultaneously?

[Sayigh] The board of governors will be accountable to the Political Committee, which can, for example, dismiss us or direct us. As an example, the Development Board chairman in Beirut is subject to the control of a political authority.

However, when I ended my meetings in Washington, I returned to Tunis. Abu-'Ammar had not yet signed the approval. It was 6 October then. The proposal had been submitted to him on 14 September. The World Bank started calling me and I suggested that the World Bank deputy chairman concerned with the region's affairs visit Abu-'Ammar.

A World Bank delegation comprised of a deputy chairman, the Arab East region official, and Adviser 'Abdallah Abu-Habib arrived.

We asked Abu-'Ammar to sign a resolution establishing this agency (PEDRA), but he said he was unable to do so. He said "I am a democratic man and I have institutions to refer to, such as the Executive Committee, the Palestine National Authority, and the Higher Economic Council." Of these, only the Executive Committee actually exists. 'Arafat asked "When do you want me to sign? What is the grace period?"

We told him that we had wanted the resolution signed the day before but that it was still okay and that "we mean what we say." But Abu-'Ammar responded, "I cannot. I have to check with others." We then got a promise from him that the resolution would be signed by 31 October at the latest. But he did not sign it.

It was then time for me to leave to a conference of the aid-granting countries on 4 and 5 November. I and Abu-'Ala' represented Palestine at the conference. The arrangement was that I would take the signed resolution with me so it would be announced officially at the conference. On the evening of 2 November there was no news of any signing. On the morning of the 31st [no month or year given], i.e. just prior to my departure for the airport to leave on my trip, I had contacted Abu-Mazin, who is a frank man and with whom I am friendly, and asked him what had happened at the Executive Committee meeting a day earlier because we had received nothing and I had to take the text of the resolution with me. Abu-Mazin said, "Nothing was determined. It was a stormy session and we disagreed and split into two factions."

I contacted Abu-al-Lutf, who said to me in the style of Ahmad al-Shuqayri [PLO chairman before 'Arafat], "What is this ultimate grace period? Do they want to control us? Do they want to dictate to us? We will rebel

and we will sign after the third day of the month (November)." I said to him, "Are you kidding? These people have offered us \$2.4 billion and you want to dictate to them? Are you kidding?" He answered, "No, I am serious."

Before I left Tunisia, a young man from the Economic Department told me that Abu-'Ammar had signed the resolution 15 minutes earlier and that he was going to fax it to Abu-'Ala' in Paris. I asked the man, "What is the text?"

He responded that Abu-'Ammar had installed himself as chairman, Faruq al-Qaddumi as deputy chairman, and Muhammad Zuhdi al-Nashashibi as second deputy chairman. Abu-'Ammar also transferred all the powers designated for the board of governors to the higher council, which meets twice a year, and formed the board of governors with the names we had proposed.

I left for Paris, where I met with Abu-'Ala' and told him the story. He told me that there was a mistake and that he had just talked to al-Hakam al-Bal'awi, who said that Abu-'Ammar had signed the version we had submitted.

The following morning, i.e. 4 November, and just half an hour before the meeting, a fax of the distorted resolution was received. Abu-'Ala' said to me, "You can rebel and say whatever you wish because you are not an employee. But I am compelled to announce the resolution. I will not defend it. But I cannot criticize it."

The Europeans were surprised and started to wonder. One European said, "This will not pass." They addressed their words to me at the meeting. I was angry so I referred them to Abu-'Ala', who said that he was not present [at the meeting that adopted the resolution] and that he was in Washington before coming to Paris.

The aid-granting countries, especially the European Community and the Norwegians (the accord's godfathers), issued official statements denouncing this formula.

They decided that the Norwegian foreign minister, who chaired the conference, would meet with Abu-'Ammar and inform him that this formula had been rejected, and this is what actually happened. The foreign minister returned with a new formula reflecting what we had proposed—an advisory council and a board of governors with certain powers, to which they added even more powers. They also defined the powers of the director general and of Abu-'Ammar, the national authority chairman. They made the board of governors accountable to the national authority, not Abu-'Ammar personally. Faruq al-Qaddumi was made chairman of the board of governors and al-Nashashibi was made a member, not deputy chairman. This angered al-Nashashibi, who considered me responsible for the affair. I received from him a "very malicious" letter in which he says, "you mislead news agencies and say that I am not deputy chairman, whereas the truth is the opposite."



[AL-SAFIR] But no direct decision was made by 'Arafat?

[Sayigh] No. In the meantime, the board of governors held a meeting which I did not attend. So Abu-'Ammar contacted me to tell me, "The beloved one knows his place, so he dallies." I responded, "No beloved and no dallying. You held a meeting and I suspended my membership for reasons you are aware of because I have stated these reasons publicly. Besides, I was not invited to the meeting." He said, "You were away, and this is why you were not invited. I am inviting you personally now." I answered, "I want to acquaint you with my position on this issue. I have two fundamental objections: First, the board of governors has no powers in the formula you have issued, and second, you have installed yourself as chairman of the board of governors. I have nothing against you personally. On the contrary, I appreciate and respect you as a head of state. But the head of state may not be the chairman of an authority that is accountable to him. How could he be accountable to himself? In all your statements you say that we are accountable to you personally. No, we are accountable to the national authority. If this authority is still nonexistent, then we are accountable to the Executive Committee. Therefore, I feel that if constitutional affairs are not set right, I will not participate. Of the council created since the Norwegian amendment, only the chairman exists so far. There are 60 others whose identities we must know. Moreover, the national authority must be formed and resolutions must be made within the framework of the institutions." Abu-'Ammar answered, "Let us talk about other issues. We must establish a development bank." I said, "Yes, we must do this. But we must fully create all the required conditions." He asked, "What are these conditions and requirements?" I said, "Authorities must come into existence and we must determine on the basis of what law or legislation we will create them." Abu-'Ammar answered, "I will issue a decree right now" and he pulled out a sheet of paper. I said, "This is not how decrees are issued. Do you have the power to issue decrees now? We are still in November. Where did you get the authority to contact the occupied territories? Even if you have the authority in Gaza and Jericho, you must realize that either the Israeli or the Jordanian side will govern this decree. This means that you will issue an illegitimate decree and devise an illegitimate law." He answered, "This is an Israeli reading of the issue." I responded, "Nobody says such a thing to me. My reading is national and patriotic. If this is your opinion, then there is no need for me to be sitting here." Abu-'Ammar answered, "I did not mean that. You misunderstood me." He then proceeded to make justifications.

I proceeded to tell him, "Even if you have all the powers, the capital of a development bank has to be \$500 million. Should we create it in one session?" He answered, "No, I will give you two or three days." I said, "We have a study conducted by a prominent World Bank economist, a retired Palestinian who spent three months drafting the study. This study was drafted before

announcement of the declaration of principles. Therefore, it must be modified in light of the new conditions. We want to put down some of our observations on the study, which will take two or three weeks. Then we want to send them to the economist and get the opinion of an international law adviser. This may take weeks." Abu-'Ammar responded, "You are 'classicists' and you do not know how to work." I said, "Abu-'Ammar, you are an engineer and you will understand what I am going to say: if the foundation is faulty, the whole structure will be faulty." He answered, "And for something that is faulty, one uses extra cement and iron."

[AL-SAFIR] Who was present at the session?

[Sayigh] There were eight members. The following day I said to al-Qaddumi, "I will attend no more meetings until you, not Abu-'Ammar, head them, provided only those invited by the council attend these meetings." Yasir 'Abdrabbuh and 'Ali Ishaq, who are not members, were present. I also said that we had to establish a constitution that determines how we debate issues and how we vote.

[AL-SAFIR] What is the story of the Central Bank and the balances between the occupied territories and the diaspora in forming its management?

[Sayigh] In the occupied territories there was full support for our position until two days before my departure from Tunisia. That is when Abu-'Ammar received a message from the Norwegian foreign minister. Perhaps during his visit to the Scandinavian countries he told the Norwegians that if we did not receive financial resources and if the development process is obstructed, "my people will suffer, and you will be responsible." That message appointed Abu-'Ammar to the position of "report point" [as published], a position I had not heard of before. They also appointed al-Qaddumi as supervisor and deputy chairman and al-Nashashibi as deputy chairman, as well. The distribution of powers remained unchanged. I stressed that I would boycott the meetings if Abu-'Ammar headed them. I emphasized this because I had been an Executive Committee member for more than three years and knew that Abu-'Ammar was determined to dictate his opinion. I told them that I was going to spend six weeks in Beirut and asked them to let me know if conditions changed.

He [Abu-'Ammar] has not dismissed me to date because he realizes that if the World Bank finds out that I have been ousted, it would mean that the situation had become complicated, considering that I am the only one who stands up to Abu-'Ammar.

Abu-'Ammar began to realize that all those around him were criticizing him and that a lot was being said in this regard.

Yasir 'Abdrabbuh, Abu-Mazin, Sulayman al-Najjab, and three others—Yasir 'Amr, Samir Ghawshah, and Jamal al-Surani from Jordan—did not sign the appeal [no

earlier mention made of this appeal]. This means that six out of nine members did not sign it.

[AL-SAFIR] Is it personal love of leadership on the part of Abu-'Ammar or is there concern?

[Sayigh] Of course, there is a certain concern, in addition to the love of leadership, considering that Abu-'Ammar loves leadership. Leadership is an instrument and a means to attain power. Money is an additional means. Even if he does not seek to steal, he can channel projects and contracts, and things like that. What is sad is that Palestinian businessmen have refused to participate in the council and have told Abu-'Ammar: It is not right that we will be able to make bids when we are council members.

[AL-SAFIR] Do the aid-granting countries and the World Bank object to Abu-'Ammar's role or do they want specialists?

[Sayigh] No, they have concluded the accord with the PLO.

[AL-SAFIR] What is the objection against Abu-'Ammar?

[Sayigh] He may not be chairman of the board of governors. This means that the problem is an organizational problem, i.e. one cannot be accountable to oneself. [passage omitted]

## ALGERIA

### Divisions Within FIS Discussed

94AF0055A *Algiers ALGERIE ACTUALITE in French*  
7-13 Dec 93 pp 10-11

[Article by Rachid Drif: "Antiterrorism: the Infernal Circle"; first paragraph is ALGERIE ACTUALITE introduction]

[Excerpts] The terrorist threat remains omnipresent, and the dismantling of armed groups by the dozen has not been enough to check the violence. The armed movement's leadership remains divided and fragmented, and the two underground wings that took over the reins of the FIS [Islamic Salvation Front] following its dissolution—Djaz'ara and Salafist—seem to be clashing over the question of leadership. Meanwhile, no "moderate" official of the dissolved Islamic party has come out in favor of negotiations or participation in discussions with the Committee on National Dialogue.

The communique from Said Makhoulfi, the former "military official" in Abdelkader Chebouti's Armed Islamic Movement [MIA], has the merit of clarity: no dialogue and "armed struggle" until the arrival of an "Islamic republic." That communique, according to its author, comes in response to a meeting by the Djaz'ara (Algerianists close to A. Hachani) that reportedly was held in Batna at the behest of Abderrezak Redjam, former "boss" of the FIS intelligence department.

A. Redjam is also one of the decision makers in the "emergency unit," an FIS body established following the arrest of Abassi Madani and Ali Benhadj in June 1991. That was the unit in charge of clandestine tracts and propaganda for the dissolved FIS.

Redjam, from Batna, had allegedly issued something called a declaration "of union" (Bayane el Wihda) reporting that the various secret FIS groups (Salafists, the Djaz'ara, and the Muslim Brotherhood) were uniting.

Makhoulfi claims that that union will split up and that only the "Salafist path" will remain. Oddly, Makhoulfi's remarks remind one of early publications by Abdelhak Layada's Armed Islamic Group (GIA), in which the emphasis was on the Salafist wing in the various armed groups that had united under the "single command" of "emir Abou Adlane" following a meeting held at the start of 1993.

S. Makhoulfi is therefore claiming to be one of the Salafists—the radicals in the Islamic movement—and he points out that an agreement was reached stipulating that the prime condition for dialogue would be a return to the electoral process.

Until recently, however, that was the condition being insisted on by the Djaz'ara's emergency unit and repeated in every communique from Mohamed Said, one of that wing's leaders.

No change in position has been published so far. The disagreements between Makhoulfi and the Djaz'ara seem to be the same as those that divided Chebouti and the "emirs" of the armed groups. The latter denied his right to be the supreme leader because he did not take part in the "operations."

Makhoulfi opposes the "politicians" for the same reasons, just as he criticizes them for having attempted to negotiate with the authorities through M. Merbah and Shaykh Benazzouz Zebda. But there is also one fact that he insistently draws attention to: Redjam and Said Guechi halted his participation and that of Kamreddine Kherbane in meetings by the Majlis Echouira following the events of June 1991 because of their preparations for "jihad" [holy war]. That was when Makhoulfi was publishing his "pamphlet on civil disobedience" and going so far as to say, in an interview with the newspaper EL KHABAR, that "the time for jihad has arrived." Makhoulfi is therefore excluding the politicians from the decisionmaking center and, at the same time, denying the existence of splits among the armed groups, a report that he labels brainwashing and manipulation.

### Salafists and GIA

Since the deaths of Omar El-Eulmi and his brother Abdennacer, the two "muftis" of Layada's GIA who were killed five months apart, and the arrest of Yekhllef Cherrati, the MIA's ideologist and author of the first fatwa [Islamic legal ruling] authorizing FIS members to

commit murder "as part of" the jihad, there has been little information about the new mufti or muftis of the terrorist groups.

In "traditional" organization charts such as the GIA's, an "Islamic legislative committee" headed by a "learned man" was in charge of issuing various fatwas regarding the activity of the groups.

That was the theory. In fact, a person with some knowledge of theology and possessing an audience among the underground members would be in charge of "urgent" fatwas as well as everyday writings.

In the case of Makhloufi's communique, which well-informed observers say is genuine, one finds elements apparently inspired by ECHAHADA, the GIA's underground bulletin, excerpts from which were published by EL-WATAN EL ARABI at the beginning of the year and whose source remains unknown.

There are similarities in the division into "zones," the organization of the movement, and the establishment of internal rules and of "legislation" governing the violent units.

Ten months ago, ECHAHADA published a set of "bylaws" for the GIA in 65 articles, an "exclusive interview" with Layada, and "carefully worked out" documents setting forth the organization of a national movement. While Layada admitted being the GIA's emir, he denied being the author. It would seem that Makhloufi, who belongs to the same wing, is drawing his inspiration from those documents. The outline of such a Salafist-type organization could already be found in the "hard core" of the "Allal" group, where there existed, under the "orders" of the emir, a coordinator (Layada), a restricted majlis echoura (Belbachir, Bouferaa, Bentebiche, and Zermane, who is now in prison and the only survivor out of the four), and an official in charge of religious indoctrination (Zeraoui Hammadache, who has been arrested). That organization was inspired mainly by religious texts, but also by the various experiences of the violent groups, examples being the group headed by Mustapha Bouyali—the "emir" of El-Achour—who demanded of his movement's members the "baya'a," or oath of allegiance, and who, taking his inspiration from religion, had formed one of the first "majlis echoura" in the Islamic wing in 1982. [passage omitted]

#### Links

A GIA document distributed at the beginning of the year mentioned a special "recommendation": set up "joint" armed operations and establish links between different groups. It was that same document, issued by the "western front," which first mentioned plans to "strike at foreign investments and then at their representatives."

The Armed Islamic Movement is fragmented, and despite the "efforts" of political leaders or heads of

terrorist groups such as Layada and Chebouti, both now gone from the scene, plans for a structured nationwide organization have failed.

But there are small illegal groups that join together for specific operations, and terrorists with police records—and who are therefore wanted by police—pass from one group to another and frequently move from one region to another.

Ties and contacts exist between former members of the dissolved FIS who have gone underground, and it is all those networks that now make up the terrorist web that is so difficult to evaluate. The GIA and MIA are only acronyms—the entire movement forms an obscure and constantly changing whole with no definite lines of organization but with networks that link up with each other from time to time.

It is possible to begin with one individual and trace one's way back to various tiny groups and movements.

For example, police arrested a man named Damerdji Kamel last 12 March for aiding a terrorist group. He has just been sentenced to six years in prison.

Damerdji was collecting money at the request of his brother-in-law, who is none other than Moussa Kraouche, the spokesman for the Algerian Fraternity in France (FAF).

The sums of money collected in that way were to be turned over to a certain Sayeh Attia in Medea. In exchange, Kraouche provided Damerdji with a checking account in France.

Sayeh Attia, alias "Khan," alias "Younes," has been a wanted man for several months. He is considered a "very dangerous member" of the armed movement.

A native of Ouled Hellal and 37 years old, he is one of the perpetrators still being sought in connection with the attack on the barracks in Boughezoul that resulted in 18 dead at the start of the year.

Several soldiers had their throats cut, and the group had accomplices inside the barracks.

According to investigators in the security services, Attia is the son of a harki [Algerian soldier who fought for the French against Algerian revolutionaries] and a former member of the FIS.

One of the group's leaders who is still a fugitive is "Djaafar El-Afghani," whose real name is Si-Ahmed Mourad. A "repentant" former musician, he is a native of Tablat. Today he is considered one of the most formidable terrorists—like Allal, known as "Moh Lev-eilley," with whom he reportedly was in contact in their neighborhood in Hussein-Dey.

Si-Ahmed Mourad, who was involved in the attack on the airport with members of the MIA, has an exploit to his credit that tells it all. At the age of 29 years, while



operating in the Algiers region, he was among the perpetrators of the attack on the former minister of defense. According to confessions by former members of his group, he made detailed plans for kidnapping the three French consular agents that he wanted to exchange for Layada, and while living in Algiers, he went to Bougezoul for a "big operation." He is the sort of hard-core individual for whom violence has no limits: one of the Salafists who do not hesitate to slit throats for the "cause." With them there can be no dialogue, and everyone, even the Djaz'ara, has realized that.

### EC Meeting in Brussels Examines Security Situation

94AF0058B Algiers EL WATAN in French  
21 Dec 93 pp 1-3

[Article by Khaled Mahrez: "EEC Examines 'Algerian Situation'"—first paragraph is EL WATAN introduction]

[Text] The foreign ministers of the 12 EEC countries yesterday began a 2-two-day meeting in Brussels in the course of which the situation in Algeria will be considered, although it is not formally inscribed on the agenda.

The Twelve will discuss what position to take regarding the safety of Europeans living and working in Algeria, as well as their position on fundamentalist groups resident or active in certain European capitals.

The APS Brussels office believes the "Twelve," in today's expected communique, will express support for Algeria's efforts to combat terrorism and find solutions to its serious economic problems, but will demand in exchange a national dialogue on major political and economic reform.

A diplomatic source in Brussels yesterday disclosed that Algeria will be urged to open dialogue with all those willing to participate, with all sectors concerned about restoring security in the country and opening the way toward a return to democratization—"even with moderates in the FIS [Islamic Salvation Front], if they have renounced violence and terrorism and accept the ground rules of democracy," according to a source in the Belgian delegation. "We're not giving the Algerian regime a blank endorsement for anything it wants to do; rather it is urgent to get on the path of dialogue with people who do not resort to violence and assassinations, or who have renounced that path," added a source in the French ministerial delegation.

A Belgian observer described this stance as "rather positive for Algeria," but cautioned that the Twelve have yet to adopt this common position on the Algerian question.

The deteriorating security situation, especially the new strategy of the armed groups—which have begun indiscriminately killing intellectuals, members of the security forces, simple citizens, and now foreigners residing in

Algeria—has shocked public opinion in Europe and around the world and made governments of those countries realize the threat to their own societies posed by instability in Algeria.

This change in the position of Algeria's European partners is first of all apparent at the political level. While it may be true that Europeans are still unwilling to accept the nullification of Algeria's elections, neither can they accept the killing of innocent people—much less foreigners—as a means to achieving political objectives.

The European countries, which to varying degree have been plagued—in some cases still are—by terrorism, have thus condemned terrorist acts committed in Algeria and expressed their "sympathy" for the country.

The European Parliament has even endorsed a proposal to forgive the debts the Algerian Government owes to the EEC, debts which total some \$6.5 billion. This was a highly symbolic gesture of support to Algeria on the part of the Eurodeputies, but actual implementation must first be approved by EC executive authorities.

The Community is said to favor expressing its sympathy for Algeria with cold, hard cash, on the condition that Algerian authorities commit themselves to solving their political problems through a national dialogue and pledge bold economic reforms. The communique expected to be published today by the EC demands, in exchange for greater economic and financial cooperation with Algeria, the opening of a national dialogue, acceleration of economic and political reforms, and launching of negotiations with the international financial institutions.

Mr. Willy Claes, Belgium's foreign affairs minister and current president of the Ministerial Council of the Twelve, has clearly described Europe's position on the Algerian situation. "It is obvious that we will support the democratic sectors and a regime that will be opposed to the fundamentalists," he said, maintaining that negotiations on economic and financial questions will resume once "the Algerians express their resolve to move ahead on economic and financial reorientations, which will permit us to move quickly to put exploratory talks, followed by negotiations in the framework of the Euro-Maghrebian dialogue, on the Community agenda."

The recent decision of Algerian authorities to negotiate an accord with the IMF—a decision that Jacques Delors, president of the European Commission, described as "good news"—appears to Algeria's western partners to be a step in the right direction.

The previous, incumbent, and next presidents of the Council of Ministers of the Twelve, i.e., the foreign ministers of Denmark, Belgium, and Greece, will visit Algeria in the coming weeks, APS has announced, although the purpose of the visit has not been disclosed. At all events, it seems Algeria has finally broken through the financial blockade that has constrained it for the last two years.

### Anticipated Oil Revenue Less Than Forecast

94AF0060B Algiers *LIBERTE* in French 19 Dec 93 p 4

[Article by Merzak Tigrine: "Falling Oil Prices: A Bad Year for Algeria?"—first paragraph is *LIBERTE* introduction]

[Text] Algerian oil revenues may fall well below the prime minister's forecasts now that the price per barrel is below \$14.

The large decline in our country's oil revenues will make it very difficult to balance the 1994 budget.

Mr. Redha Malek's government is experiencing huge difficulties in balancing the 1993 budget, as his predecessor's optimistic forecasts (\$20 per barrel) prove quite unrealistic.

In the past few days, prices fell further on the London and New York markets. All the efforts of OPEC member countries were of no avail. The announcements by the Sultanate of Oman and by Egypt that they would decrease their production by 5-10 percent had no effect on the market.

On the other hand, production increases in Norway (22 percent) and England (over 2 million barrels per day) considerably affected prices.

The increase in U.S. crude inventories, and the possible resumption of Iraqi exports did contribute to accelerate the price drop. Thus, on the New York market on Friday, light sweet crude (the reference crude oil in the United States), reached its lowest price in six years, closing at \$13.91.

In London, the Brent dropped somewhat more, closing at \$13.56.

This price drop does not seem to worry too much the OPEC chairman, Qatari 'Abdallah Bin-Hamad al-'Attiyah, who believes that it was not urgent to hold an extraordinary meeting before 25 March 1994, when the next OPEC meeting will take place.

Decidedly, Mr. Redha Malek's fears are not about to be dissipated. His revenue forecasts, amounting to \$8 million to \$8.5 million, may well fail to materialize if the price drop is not stopped within the shortest possible time.

Another bad year in prospect for Algeria, unless....

### Deteriorating Living Conditions in Algiers Detailed

94AF0058D Algiers *ALGER REPUBLICAIN* in French 3 Jan 94 p 7

[Article by Nabila Amir: "Algiers the Gray: Who's To Blame?"]

[Text] People all over the world pride themselves on the beauty and cleanliness of their country, especially their

capital city, site of the most important exchanges and meetings. But what about Algiers, once known as "Algiers the White"?

This historic city, a city with a rich legacy, a city of beautiful byways lined with enchanting buildings. What has become of all those historical treasures? From end to end, in every nook and corner, from top to bottom, Algiers is unrecognizable; it is no longer the same, the air is no longer pure, it smells foul.

At a time when emphasis is being placed, all over the world, on hygienic problems because of the multitude of epidemics raging alike in other countries and in our own, particularly in our capital city, an unconscious or deliberately indifferent populace may not appreciate the risks to which it is exposed—how otherwise can we explain the deplorable state into which the city has fallen?

Streets are strewn with detritus of every sort, with half-open trash bags where well-fed rats multiply at an alarming rate.

Rarely is a passerby late in the day courageous enough to venture on sidewalks alive with this undesirable and very menacing "population."

Just going from place to place in the capital has become a painful ordeal. We have become accustomed to seeing rats the size of rabbits and cats as big as dogs.

Have our citizens so far lost their civic spirit that they use their own doorsteps as refuse dumps instead of cleaning up after themselves?

The worst part is, everyone blames someone else. The citizens themselves, of course, must bear part of the responsibility for deteriorating conditions.

But some of the blame falls too on the authorities concerned and on the trash collection services, which let refuse accumulate all up and down the streets and sidewalks where they constitute "healthy" sites for vermin to breed and multiply.

"What a difference there is," one old man tells us, "between the population of yesteryear, when Algiers was truly 'the White' and deserved that name because of the efforts and good citizenship of the people, and today's inhabitants, who have turned the capital city into Algiers 'the Gray,' a place where the air is almost unbreathable!"

It is well-known that unhygienic conditions are the source of many diseases.

So why aren't people concerned enough to try to avoid its propagation? The reappearance of diphtheria in Algeria is entirely the result of this negligence.

People do not need expensive equipment to make a difference—just the will to take a mop and a pail of water

to clean up their own doorstep and determination not to dump waste in the middle of the street.

In the domain of health, the inadequacy of our country's sanitation infrastructure is well-known. So is the shortage of medications, and the high price that must be paid for them.

But why do we have to spend our precious few resources on things that could have been avoided?!

Health is critically dependent on hygiene. Other factors also enter in, aggravating conditions in certain slum areas including well-known quarters such as Bab-el-Oued, Place des Martyrs, and Place First of May.

Even if the street sweepers came by several times a day, our streets would not be clean, for the peanut and cigarette vendors continue shamelessly to scatter papers and butts in the street instead of automatically throwing them in trash bags.

As one woman told us, "cleanliness and responsibility come with education. How can you expect a child not to throw waste in the street when his mother tosses refuse out the window all day long?

"The problem goes very deep. You have to attack the problem at its roots."

There is another problem befouling Algiers: the reeking sewage outlets. There is also the invasion of tramps and beggars into our capital. Under the arcades, in certain parts of Algiers, these homeless have ensconced themselves atop ventilation ducts in search of warmth. Passersby must not only avoid all the laundry dripping from the balconies but also take wide steps to avoid all the urine.

These sights are all in plain view in our capital. It is a sad spectacle that continues unabated year after year, right under the noses of certain culpable authorities, exacerbated by the inexcusable behavior of many citizens. Are these people out of touch?

### Food Shortages: Problems Detailed

94AF0060A Algiers *LIBERTE* in French 26 Dec 93 p 9

[Unattributed article: "Consumables in Bejaia: The Shortage Syndrome"—first paragraph is *LIBERTE* introduction]

[Text] Shopping has become a complex exercise. And shoppers do not always come back loaded with the foods they wanted.

Whether asked for pasteurized milk packets, coffee, oil, household soap, pasta, sugar, or any other basic consumable, the shopkeeper's answer is always the same sharp "oulech," accompanied by a pathetic "aouli" ("my

dear") as if to apologize for the answer. The truth is that Bejaia has seldom experienced such a scarcity of such a broad range of products. Usually, even when other governorates report tensions, Bejaia barely shudders, and that is mostly due to the fear of being affected by shortages, which translates into a veiled [sic] sudden increase in consumption. The self-defense reflex then works to its full extent. The reasons that the governorate is somehow "sheltered" are many. The nearby port, the existence of large local production units (ENCG, ENAJUC [expansions not given], flour mills, etc.), added to a smaller population, estimated to at most 1 million, made it possible each time to cope stoically with market perturbations. This time, however, things look different and are affected by the prevalent feeling of malaise, not to say depression, that prevails in the economy as a whole. "Lacking raw materials, production units slowed down."

"Add to that import reductions, and we had to reach a dead end," Mr. Nait-Slimane, general manager of EPIDAL [expansion not given], explained, pointing out that his company just marked time during the past year.

"Partly because of a lack of aggressiveness on the part of the EPIDAL GEIC [expansion not given], partly because of import restrictions imposed, among others, by the ad hoc committee, and mostly because of declining production at national enterprises, which are themselves hampered by inadequate import quotas. All this brought us this deplorable situation," he commented. It so happened, he said, that even traditional safety stocks were depleted and are no longer available "to relieve the demand, and therefore the pressure on the market. We are forced to sell on a day-to-day basis. And seldom does a delivery last more than one week," Mr. Zaidi, a sales manager, commented, adding that his own company is experiencing the worst problems in getting supplies. "It has become a complex exercise, and often we must call on our own personal relations; otherwise, we couldn't do it," he concluded. Paradoxical as it may seem, however, speculation—the consequence of any shortage—has not yet appeared, except that a few grocers conspicuously increased their prices, asking, for instance, 150 Algerian dinars for coffee, 22 for sugar, or 190 for butter; the rest maintained an honorable position. It is true also that the workers' consumption cooperative system works fully to appease tensions. No matter how small the quantities offered for sale, they have the merit of being distributed equitably and benefit first those who need them. As a result, opportunists fail to attract many people if all they have to offer is basic consumables.

At any rate, you hardly see any street vendors peddling that kind of goods, contrary to what is the case elsewhere, in large Algerian urban centers. However, should the tension persist, there would be a potential risk threatening the "cooperative system" that constitutes a patent factor of equilibrium in distribution.



### Water Shortages: Better Management of Supply Urged

94WN0144Y Algiers LIBERTE in French  
18 Dec 93 p 4

[Article by Z. Aliou Salah: "First International Conference on Water: Sounding the Alarm"—first paragraph is LIBERTE introduction]

[Text] A vital element, water is getting increasingly scarce.

According to statistics, Algerian water consumption increased from 1,770 cubic meters [m<sup>3</sup>] per person per year in 1955 to 689 m<sup>3</sup> per person per year now.

For future years, the most optimistic forecasts count on only 332 m<sup>3</sup> per person per year. The availability of this precious resource, essential for economic and social development, is therefore quite restricted and will become still more so if part of it becomes unavailable because of the urban, industrial, and agricultural population or again because of constant daily waste. Add to this runaway demographic growth. The mobilization, transportation, distribution of water, and the preservation of its quality require considerable financial resources, which the state cannot go on providing forever at the expense of other economic activities. Mr. Zebarene, general inspector at the Ministry of Equipment, told Channel 3 that if we are to achieve savings, "we cannot continue to manage our resources as we are doing now." "Economic tools that deter aggression against the water environment and provide incentives to save water and make the necessary investments," are essential, he said, adding that "everybody's good will alone is not enough." To finance the water sector, the Ministry of Equipment stated that it would be desirable to adopt rates reflecting Algeria's economic realities. For instance, faced with the increasing scarcity of what is considered as a source of life, optimum management of our water resources remains a must. To this end, a conference covering various themes will take place today and tomorrow at the headquarters of the National Data-Processing Systems Company [ENSI].

"Water resources, the fragility of water, water as an economic product, and the organization of the water sector," such are the four themes to be considered by the conference. This first conference, chaired by Mr. Mokdad Sifi, minister of equipment, and attended by the governors of the principal Algerian towns, will consider the management of the public service, the economics and organization of water production, and water distribution.

In addition to these specific themes, the conference will also consider questions having to do with pollution,

storage, the collection of underground and surface water, and the role of water in the national economy.

### Oran: Twelve Reported Dead in Landslide

94WN0144Z Algiers LIBERTE in French  
27 Dec 93 p 3

[Article by Razik Remila: "Tragedy in Oran Substandard Housing: 12 Dead, 46 Injured"—first paragraph is LIBERTE introduction]

[Text] During the night of Saturday (around 2230), the people of the old district of El-Bahia awoke to the height of tragedy.

According to sources very close to the Oran governorate, 12 dead were reported yesterday around 1800, while the injured numbered 46, including four in critical condition who were taken to the Oran University Hospital Center where special medical teams were formed.

On the other hand, yesterday at 1327, press agencies reported 15 dead and 62 injured.

In addition, civilian rescue services estimated at 130 the number of housing units that were completely destroyed, and close to 400 buildings in the area are in danger of collapsing.

For its part, the crisis center set up at the Oran DEC [expansion not given] indicated that two people who were buried under the rubble were found alive and rescued yesterday, early in the afternoon. Following the landslide, the Ras El-Ain region was declared a disaster area and a civil emergency plan was therefore decreed.

The buildings destroyed did not withstand the landslide because they were built on a hillock: "It is a difficult clay soil that can be cleared only with shovels and cranes for fear of touching neighboring buildings."

Another information from local officials indicated that "all the buildings involved were illegal constructions." Add to this the very violent wind that blew in the area and contributed to the collapse of some buildings.

Since Saturday evening, two crisis centers have been set up, and two land sites have been cleared to relocate disaster-stricken families, who were also provided with tents and food.

Soon afterward, we learned that yesterday morning the Orolait Company distributed 1,500 liters of milk and 1,050 rations of pasta with cheese to the victims of the disaster.

In closing, we would like to mention that, in the middle of the night, the Oran governor visited the site of the disaster where rescue operations were still in progress.

### Constantine: Local Authorities Blamed for Dying City

94AF0058C Algiers LE SOIR D'ALGERIE in French  
3 Jan 94 p 3

[Article by Hocine Tafer: "Constantine: City on Its Last Legs"—first paragraph is LE SOIR D'ALGERIE introduction]

[Text] From disaster to disaster, from ruin to more ruin. Constantine is sinking deeper and deeper into a death-like torpor. The year just ended has left the old city of Rocher tragically stricken, and there is nothing to indicate there is hope of arresting continued decline.

Constantine—The recent landslide that caused the collapse of several buildings on Avenue Kitouni and Rue des Maquisards was unfortunately only one very small entry in the catalog of disasters that has struck this city that is now on its last legs.

Housing sites at CILOC [expansion not given] are also at serious risk, and urgent appeals from inhabitants over the last three years have not yet succeeded in moving the authorities concerned. The road that gives access to Bardo, near the old slaughterhouse, has been closed to traffic ever since a previous ground subsidence long ago, and no one seems concerned about the situation. In an entire section of Saint-Jean, Aouinet El-Foul, and as far out as the El Menia plain, people live under the threat of a catastrophe that could strike at any moment, and everyone acts as if nothing were wrong. It probably serves little purpose to point out that the alarm was first sounded 21 years ago. One has only to refer to the small book *Memoirs of an APC (People's Communal Assembly) President* by the last real mayor of Constantine, Mohamed Tahar Arhaoui, to find these words: "The zone extending from the base of Coudiat to the El Menia flatlands is disturbingly unstable. The 1972 landslide is etched deeply in the memory of the 1,200 families that were relocated into new housing only after many patient years spent in so-called temporary housing."

In fact, ever since 1972 the old buildings on Rue des Maquisards, Avenue Kitouni, Rue Charboneau, etc. had been threatened with destruction by the continual land subsidence that has also caused increased buckling of the road between El Djebbas and the El Menia bridge. And what has been done to remedy the situation? Nothing, except to become further entrenched in an obstinate "ostrich policy."

How could anyone fail to be irritated by the sententious and almost obscene speeches made by certain incorrigible "public servants"? December 1993: Close to 60 families lost their homes. Some of them, living on the sidewalks, are still exposed to the rigors of a very harsh winter. With children, wives, and oldsters exposed to all the attendant dangers. A dreadful situation, which some try to ignore but that cannot be hidden. What will become of them tomorrow?

Must we wait until the sky falls on our heads again? Alas! This is almost certainly the outcome, because local administrative authorities seem unable to come up with even the rudiments of a plan. True, the country's economic crisis or even the security situation might be used to justify the authorities' inaction. But still.... All you need do to see the plight of the people struggling to survive is turn your head in their direction. We tried repeatedly to meet with the president of the communal executive delegation, who serves also as head of the daïra of Constantine, but in vain. A large number of questions thus remain unanswered.

How can the authorities' abdication of responsibility in the face of a city's death agonies be explained? How do they react to the sight of goats serenely grazing on...Ben Boulaid avenue? Why do more and more huge holes appear with every passing day in all the side streets of the city, and even in the principal arteries? Go take a look at your Constantine, from El Kantar to Bellevue, from Sidi Mabrouk to Bardo, from the Filali settlement to CILOC and even downtown. Not one single street has been spared. Day after day workers slave away, armed with scaling hammers or simple pickaxes, cutting gashes into the city.

When evening comes, they put their tools down and leave. But they do not come back. Not even the outlying districts, the "express" suburbs, have been spared.

For more than a month, two strapping young workers have kept the main highway virtually impassable. Add to that the innumerable piles of refuse springing up almost everywhere. Frankly the picture is grim. And all this is happening under the noses of the impassive, silent authorities. Their attitude not only greatly tarnishes the institutional credibility of government but also encourages all sorts of abuses—and reminds one of the stereotypical...banana republic.

So are we not justified in asking ourselves, in the last analysis, whether all this could be part of a calculated plan? Isn't it just one more effort to sap what little strength the country still has? The idea is perhaps too fantastic, but so is the quality of everyday life in a city that has become an immense "gypsy" campground, where all sorts of crimes go unpunished, where simple good citizenship is trampled underfoot. As a matter of fact, isn't it the only city where the head of the daïra is also the president of the DEC [expansion not given]? Who controls whom? Isn't it the only city in the world where so-called intelligent humans designed a highway but created no access roads? Isn't it the only city where paintings of inestimable value were confiscated to gratify the whims of a high-level official?

Examples of this sort of behavior are almost endless. But what good would it do to compile a list? They have well and truly decided to ruin this country, and nothing seems able to shake them from their purpose. [sentence as published]

## ISRAEL

### South Africans Sell Israeli Weapons

94AA0022D Tel Aviv YEDI'OT AHARONOT (Financial Supplement) in Hebrew 7 Dec 93 p 24-25

[Article by Arye Egozi]

[Text] What do Iran and South Africa have in common? From the point of view of the Israeli defense industry, these are two countries that stopped being excellent customers after going through changes of regime.

The tremendous arms purchases that Iran made under the shah were cut off when Khomeyni took power. South Africa is in a transitional period now, leading to transferring power to the black majority, and from being an important customer of the Israeli defense industry, it is turning into a serious rival. In this race, it is making wide use of Israeli advanced technology.

Over the years, foreign sources published many reports about the close ties that had been woven between the defense establishments in Israel and South Africa. Israel—so it was reported—helped South Africa to build an arms industry that produces everything from light weapons to warplanes and missile boats.

Not long ago, the president of South Africa announced that his country had also produced six atomic bombs. Foreign sources claimed that these weapons, too, were produced with active help from Israel, and that in return South Africa had allowed the Israelis to test their nuclear weapons within its boundaries. THE WASHINGTON POST also claimed that the South African authorities sent enriched uranium (which is used to produce nuclear weapons) to Israel, so that it will not fall into the hands of the blacks when they take power in April 1994.

But from a partner and an ally, South Africa has turned into a serious commercial rival. Today, at almost every international arms fair, it shows off the products of its defense industry. It does not even try to blur the source.

Its Cheetah jet is a perfect copy of the Israeli Kfir; the sea-to-sea missile it produces is the twin brother of the Israeli Gabriel; the assault rifle its soldiers carry is another version of the Israeli Galil; and even skilled professionals have trouble distinguishing between the Israeli pilotless plane, Pioneer, and the South African pilotless plane, Siker; or between the Israeli pilotless bomber, Harpy, which sails toward its target and blows it up, and the South African pilotless bomber, Lark. Air-to-air missiles of the Kukri type, manufactured in South Africa, are amazingly similar to the Israeli Phaeton missiles. And this is just a partial list.

Even the advertising the South Africans do for their weapons systems is Israeli in character. At the weapons fair that was held at the beginning of November in the Emirate of Dubai, there was an unusually large number of exhibitors from South Africa. The leaders of the South African

arms industry explained to reporters covering the fair that the international embargo, which had been imposed on their country, and was in force until not long ago, forced them to develop many systems on their own. This kind of advertising has been characteristic until now of the sales representatives of the Israeli defense industry.

For many years, South Africa was not been able to sell the weapons its defense industry produced, because of the international embargo imposed on it in protest against its apartheid laws. Now, with both apartheid and the embargo lifted, markets have opened up for South Africa all over the world.

Sources in the Israel defense establishment say that the South Africans operating an aggressive marketing system in many countries around the world, and it seems that they are ready to sell "at any price"—mainly to establish their position as a country producing advanced systems.

Looking back, was it a mistake to cooperate so broadly with the South African arms industry? Opinions are divided on this. There are those who argue that South Africa was a good customer, and Israel also profited well from cooperation with it. According to foreign sources, over the years South Africa acquired weapons systems and know-how from Israel that were worth more than 5 billion dollars. Others argue that we should have taken into account the political changes that were going to come in this country, and to maintain our defense cooperation with it accordingly.

The reports about Israeli engineers who went to South Africa to work after the Lavi project was canceled were perhaps a little exaggerated, but for many years, South Africa absorbed not only finished products from the Israeli defense industry, but also much know-how. You see the results now at almost every arms fair.

"Although so far they have still not caused us any real harm, they are turning into more than just a mild headache," a senior source in the defense establishment said.

### Construction Planning for East Jerusalem Analyzed

94P50089A Tel Aviv HA'ARETZ in Hebrew 23 Jan 94 p B1

[Article by Nadav Shragay: "To Build Jerusalem Eastward"]

[Text] The information about the Jewish majority in East Jerusalem that came out at the end of the Kollek reign somewhat obscured the prevailing reality in the metropolitan areas of the city. A reverse process is occurring there and the Arab majority is growing significantly.

Numerous links were formed between the city and its environs in a series of known areas. Greater Jerusalem is a metropolis whose borders spread north to Ramallah, south to Gush Etzion, east to Ma'ale Adumim, and west to Bet Shemesh.



Many settlements in this area have in fact become Jerusalem neighborhoods. The jurisdictional area of Jerusalem, on the one hand, and the autonomy settlements between Israel and the PLO, which are supposed to also apply to the metropolitan area of the city, on the other hand, are creating an area of hundreds of thousands of dunams, which is, in fact, a gray area, not really Jerusalem, at least not according to the definition of jurisdictional borders, and not really the autonomy, at least not according to the reality on the ground.

This gray area now requires an updated definition. There is no lack of functional solutions as such or other solutions that can apply to this region. It is possible to annex an additional area to the municipality of Jerusalem without annexing it to the State of Israel. This issue was previously examined and an opinion on the matter was submitted to the director general for Jerusalem affairs. The metropolitan area can also be included, or part of it, in the planning borders of the urban planning committee (without annexation). It is also possible to draft various models of joint functional administration in the metropolitan areas which will enable the continuation of Israel supervision of what goes on there.

There has already been an Israeli interest in defining the metropolitan boundaries and its status in the future and, even more, the fixing of facts is clear, principally against the background of the Palestinian goal of accelerated building to the south, east, and north and the migration of Palestinians from the Hebron area to the periphery of Jerusalem. The Palestinians are not concealing their plans to build peripherally around the city in order to close Jerusalem in on three sides and return the city to the status of a city without an exit.

Ramallah has already quickly expanded toward Jerusalem. In the eastern part of the city is a neighborhood continuum northward with the Old City to the south. And even Bethlehem and Bayt Jala are being connected to Jerusalem on the south. The relation of Jews to Arabs in the metropolitan area (including Jerusalem) is 50 percent-50 percent.

The forecast for the year 2000 is 40 percent-60 percent with an Arab majority. The different orientations of the two sectors—the Arabs building mainly on the north-south axis and the Jews on the east-west axis—adds another dimension of competition on the ground. Against this reality, at least for the meantime, areas west of Jerusalem that have recently been annexed to the city must be granted, and emphasis must also be placed on development of the eastern side, and not only for political reasons. On the west, forest areas have been designated as large reserve lands for west Jerusalem. The urbanization of the western area will indeed damage the green health of the city and many agricultural areas in 'Emeq Ha'arzim. It will be very expensive to build on these lands.

Against the expense of building and the ecological damage, which would be caused on the east, is a desolate rocky area of land that is not suitable for anything except

an urban settlement. The proof of this is that there are thousands of young couples and others seeking to live in Jerusalem neighborhoods who are finding Ma'ale Adumim a solution for cheap housing. Most of the area between Ma'ale Adumim and Pisgat Ze'ev is uninhabited, but if settled immediately becomes de facto annexation, not de jure, which is not now possible.

Another area adjoining the city that is sought and has a sparse Arab populace is located to the north and west of the city in the area between Ramot and Giv'at Ze'ev. The urbanization of this area west toward Mivaseret and Sha'ar Hagay does not alter the fact that the central area around which Jerusalem has grown is the area of the Old City. Ma'ale Adumim is located only 5 km (by air) from the Old City. The new areas that have been annexed to the city on the west are much further.

Rabin's government, which continues to populate metropolitan Jerusalem (Ma'ale Adumim, Efrat, Gush Etzion, and Giv'at Ze'ev) needs to operate in coordination with the Jerusalem municipality in order to expand the city eastward. Both have a clear interest in separating the defined area as metropolitan Jerusalem from the area of the Palestinian self-administered territory, and the appropriate time for doing this is now.

#### Attitude Toward Darawishah, Arabs Questioned

94AA0019B Tel Aviv YEDI'OT AHARONOT (24-Hour Supplement) in Hebrew 28 Nov 93 p 5

[Article by Nahum Barna']

[Text] Tomorrow, on Monday, Knesset Member 'Abd-al-Wahab Darawishah is to be greeted with full honor, esteem, and dignity by the prime minister's bureau. Darawishah is the indubitable representative of the intermediate generation in the politics of the Israeli Arabs: His roots are in the Labor Party of the military government. His refuge is in the Islamic movement. The election results and the departure of SHAS [Torah Observing Sephardim] gave fateful strength to Darawishah's influence. With it, Rabin has a closed bloc. Without it, there is no bloc and there is no government. Darawishah wags his finger and threatens Rabin that if he does not appoint him minister, he will take the finger from him.

Darawishah, members of Labor and Meretz whisper, is nervy, an extortioner, and irresponsible. Nervy because he knows that Rabin cannot seat an Arab alongside of the government table. There is a security problem, and there is an even more difficult problem—the reaction of the Jewish public opinion. An extortioner because he is attacking Rabin at a moment of weakness. Irresponsible because he is endangering the accord with the PLO, which most Israeli Arabs, including Darawishah, himself, support 100 percent.

Essentially, the coalition is now telling Darawishah, and through him, all Israeli Arabs: You have a choice—either peace or equality. You will not get both together.

The truth is that, more than teaching us about defects in Darawishah's character, the crisis is teaching us about the difficulty of Jews in making order out of there confusing, impossible relation with Israeli Arabs.

When the Likud was in power, he turned them, ideologically, into part of the population of the territories. Arabs from Taybeh were treated the same as Arabs from Nabulus. We are speaking of one problem, an internal problem. Both of them will live to win under the government of the Jews.

From a practical aspect, the Likud worked in the opposite way: They did their best to distance the Israeli Arabs from the influence of the territories. Every piece of information regarding the association of Israeli Arabs to the Palestine Liberation Organization (PLO) was received with great shock. The smell of betrayal hovered in the air.

The Labor Party came and turned everything upside down: According to the global view, they are trying to change the Palestinian problem from an internal to an external one. The key word to the solution is "withdrawal." The negotiating partner is Tunisia. The goal, as Rabin formulated it, is that they will live their lives, and, we, separately, will live our lives.

If there is any logic to conducting policy, even security policy, the work would have had to break into the separation of Israeli Arabs from the Arabs of the territories. Up to here, the PLO—and from here on, the State of Israel. The Israeli Government will not conduct the politics of Nabulus, and the PLO will not conduct the politics of Baqah al-Garbayah.

In reality, the opposite is occurring. Ahmad Tibbi, an Arab citizen of Israel, recently earned the official title of presidential adviser to the president of the State of Palestine. Tibbi is a shrewd, political veteran and a superior speaker. His advice certainly contributed to the peace process. But, it is difficult to understand how an Israeli citizen could serve in an official role in a foreign system and to still come, in the authority of this role, into the prime minister's office. If Ahmad Tibbi is needed as an adviser to his head of state, it is fitting to appoint him as Rabin's adviser. This is the proper message that the Israeli Government can currently deliver to its Arab citizens.

Darawishah represents a similar dilemma. Recently, knowledge of the attempt by government factors to convince 'Arafat to influence Darawishah to cease his threats were published. An unpleasant smell is rising from this information. If 'Arafat is Darawishah's landlord, Darawishah has no place next to the table of the Israeli Government. In contrast, if the citizens of Israel in Nazareth and Rahat and 'Ar'arah are Darawishah's emissaries, they and not an angel, they and not a seraph, they and not 'Arafat, then he is not an extortioner or nervy, any more so than Ya'akov Shefi, Menahem Prosh, Shlomo Benyizri, or any other member of Knesset who is arguing over his vote with the prime minister.

### Sales of Baraq Missile Anticipated

94AA0024A Tel Aviv YEDI'OT AHARONOT  
(FINANCIAL SUPPLEMENT) in Hebrew  
16 Dec 93 p 1

[Article by Arye Egozi: "The Ground-Based Version of the 'Baraq'"]

[Text] [There is] international interest in the ground-based version of the Baraq sea-to-sea missile. RAFA'EL, which developed the missile with Israel Aircraft Industries for the Navy, is offering the ground-based version to a number of countries, and it is estimated that several of them will purchase it. In recent weeks, a number of very successful tests of the Baraq missile were held, in the course of which it destroyed a Gabriel missile. According to foreign reports, Chile has also purchased the naval version of the "Baraq". At the same time, "RAFA'EL" is engaged in the development of a ground-based version, in which the missile is not mounted on a missile boat but on a large truck (See photograph [not reproduced]). This system is arousing great interest, because it is the first one in the world that is based on a missile that is capable of attacking fast-moving, low-level targets. A model of the system will be presented for the first time at the PIDAE [International Aerospace Fair] for defense equipment, which will be held in March 1994 in Santiago, Chile. The "Baraq" weighs 98 kg, is 2.1 meters long, and it is capable of attacking targets such as airplanes and missiles at a distance of 500 meters to 10 km.

### Kibbutz Enterprises Enter Stock Market

94AA0024B Tel Aviv YEDI'OT AHARONOT (24-Hour Supplement) in Hebrew 21 Dec 93 pp 14, 15

[Article by Shlomit Tana: "Kibbutz B.M."]

[Text] Kibbutz members who work in the first kibbutz plant that is going to the stock exchange—the Abarot plant of the religious kibbutz B'erot Yitzhaq, which manufactures steel pipes—receive a graduated salary, like their wage-earning counterparts. Their monthly salaries range between 16,000 shekels (for a manager) to 3,000 shekels (for a "common" laborer).

But the kibbutzniks' wages do not go into their pockets. Most of them do not even bother to look at their amounts. In any event, it cannot affect their standard of living.

Abarot's turning to the stock exchange about a year and a half ago, together with an external partner, necessitated implementing several "capitalistic" upheavals in the plant: establishing a graduated wage also for the kibbutznik workers; organizing a "Corporation B.M."; the appointment of a board of directors, on which representatives of the public also sit; and the implementation of a complete separation between the plant and the administrative and financial system of the owners—that is, the kibbutz.

The plant has ceased being just one of the kibbutz's branches. Today, the economic situation of the kibbutz is

not reflected in the situation of the plant, and the kibbutz treasurer cannot withdraw monies from the plant in order to fill the kibbutz coffers. If one of the two entities—the plant or the kibbutz, goes bankrupt—those who seize its assets will not be able to touch the assets of the other.

Today, in Be'erot Yitzhaq, no one wants to go backwards. The manager of the industrial branch in the kibbutz, Eli'ezer Shafir, is responsible for three local industrial plants. According to him, it is already clear that, thanks to the turning to the stock exchange, Abarot's production has gone up (in 1992 it exceeded 40 million shekels) and that the management and the control methods have become more professional. "Now we are forced to insist on quarterly financial reports, and we have brought to the plant a director-general brought in from the city, 'Amos Benada."

But Shafir admits that there are also squeaks: kibbutz members feel that the plant was expropriated from them entirely; they argue that the management and the board of directors do not share information with them.

Today it is already forbidden to report in the bulletin or in the kibbutz assembly doubts concerning planned transactions. Thus, for example, the report on the purchase of 50 percent of the shares of the "Fibertek" plant was given to the members only after the deal had already been completed.

The Abarot plant, the pioneer of the kibbutzs on the stock exchange, differs from the seven kibbutz plants that followed it in the last half year. All seven are "net" kibbutz plants, without any external partners. About a year after Abarot went to the stock exchange, Kineret's "Hopit" plant for the manufacture of plastic containers went to the exchange. After it came "Spencrete" of Palmahim, "Ortal" and "Tal" of Neveh-Or and Mishmarot.

Shares of "Kafrit" of Kfar-'Aza, "Gan-Shmu'el Preserves Manufacturing," and "Ma'abarot Products" were issued in the wave of flotations of recent weeks.

The chairman of the kibbutz Industry Association, Micha Hertz of Nir-Yitzhaq, estimates that 20 to 25 kibbutz plants will go to the stock exchange during 1994. In five of them, this has already been approved by the kibbutz assembly. According to him, on the kibbutzs' road to the stock exchange it will be necessary to overcome ideological inhibitions and evil images. Many kibbutzniks still link the stock exchange with phoney, fictitious businesses and speculation. Not to speak of the veterans, who view the whole affair as ideological bankruptcy.

Hertz: "We explain in the kibbutzim that this time we are not going to "play" on the exchange and to buy shares. They became entangled in the 1980's because of such "games." This time we are talking about the sale of shares. It must be remembered that today the kibbutzs are having difficulty obtaining capital from the banks due to their tremendous debt, which comes to approximately 12 billion shekels."

The Kibbutz Industry Association today comprises more than 360 plants. Only a small portion of them are ready to go to the exchange from the viewpoint of their stockholders' equity and their economic strength.

The breakthrough into the capital market involves, as was stated, complicated considerations. The legal adviser of the Kibbutz Industry Association advises the kibbutzs that are weighing this step to take into account that they will have to relinquish the traditional kibbutz style of management. That is, it will no longer be possible "to settle things within the home."

The Securities Law requires a public corporation to publish all the information that is relevant to the investor. On account of this law, internal kibbutz questions are exposed to the audit of the Securities Authority. For example: Why is a handicapped kibbutz member placed next to a central machine? And why "are they wasting money" on the installation of air conditioning in a production area that is manned by only four workers? And how is it that the main operator of a machine is absent because the kibbutz has decided to make him responsible for preparing a Purim party?

[Box, p 14 by Hadar Horesh]

### **They Do Not Have A Good Reputation**

The kibbutzs do not have a good reputation at the stock exchange. David Bal'as's affair presented them as naive businessmen at best. The kibbutz crisis of the 1990's proved that most of them do not know how to adapt themselves to the modern business world.

This year the "Tekhen" affair exploded: a company that was established by the Takam [United Kibbutz Movement] in 1988, which raised 40 million shekels by issuing bonds to the investing public. The company passed on the money that it raised to the kibbutzs of the Takam, as loans. As was expected from the start, the kibbutzs could not pay their debts, and they are now seeking money from the government.

After the successful flotation of Abarot last year, many believed that a wave of flotations was coming from the kibbutz movements, but most of the planned flotations got bogged down en route: the management of the stock exchange presented severe requirements to the kibbutzs, including a series of arrangements that were intended to prevent the possibility of the kibbutz members benefiting from the revenues of the plant at the expense of the investors from the public at large. Some of the kibbutz plants were found "not ripe" for a flotation.

More than a year afterwards, kibbutz Kineret—one of the richest in the kibbutz movement—floated the "Hopit" plastics factory. In the last two months, the wave of flotations strengthened. In all, the kibbutzs raised approximately 120 million shekels on the stock exchange. Three more kibbutzs are in advanced stages of an issue, and it appears that they will raise capital at the beginning of the next year. [end box]



### Underemployment of Soldiers Discussed

94AA0019D Tel Aviv YEDI'OT AHARONOT (24-Hour Supplement) in Hebrew 1 Dec 93 pp 1, 10

[Article by Arye Qizal]

[Text] "There is a veiled underemployment in some of the Israel Defense Force's (IDF) commands," Prime Minister and Defense Minister Yitzhaq Rabin told members of the Foreign and Defense Committee of the Knesset yesterday, meaning, by his words, the "army" of clerks at the Qiriya [government offices] in Tel Aviv. They have been on his mind for some time now. Not all of them—but many of them.

Who does not know the endless swarm of clerks that plods along every morning in exhaustion at the entrance to the Qiriya, trampling outside at noon to scramble for something at the eateries of Even-Gvirol Street, walking slowly back to the offices, and, exactly at 1700—but exactly—flowing outside the gates of the Qiriya, directly into the long cork on Kaplan Street. [sentence as published]

Many among us, especially those of us with combat history, call them "jobniks," or even "parasites." When we say, in the Friday salon talks, that we can cut back on offices, electricity, office equipment, and, primarily, cadres and salaries—we are referring to them.

Both Yitzhaq Rabin and Ehud Barak think so, but they are trapped. It is not possible to lay off hundreds of these clerks, and even the Israel Defense Force's (IDF) earnest attempts at reducing and cutting are not resulting in the longed for change. In the Qiriya's hallways, it turns out, marches a different army from the one along the borders and in the territories, and it has its own rules.

Every few years, a new program of cuts emerges, which is "thrown" at one command or another. They cut a branch here, a section there, lip service from the aspect of many, but the primary mass still remains, and there is a veiled underemployment. Even an open one.

Major General (Res.) 'Amos Yaron, former head of the IDF manpower branch, does not take issue with Rabin, but he is cautious. "In every large organization, the slogan 'there is a veiled underemployment' is correct. There are many people in this bureaucratic organization known as the army, which does not always operate according to economic considerations. Every few years they say this in order to put pressure on the system, to signal to the commands that the command is on the ball and they must become efficient. And, therefore, they make cuts—but, they expand again."

Yaron says that saying must be repeated over and over, because the commands each have an independent character. When you do not "sit" on them, they start to expand. For example: A lieutenant colonel who wants to be promoted to colonel and begins to "rush" work papers to his boss creates new assignments for himself, all of which is under the strange heading "specialization." He

demands a cadre, authorizations, officers, offices, and, of course, clerks. And commanders, as is known, love clerks around them. The staff work of that same lieutenant colonel can bear fruit one fine day, and then, suddenly, a new section pops out of nowhere, with it the cadre, and, of course, the underemployment.

Yaron: "In my time, there was a daily war with veiled underemployment in some of the commands. You have to be on the ball all of the time. The current chief of general staff could cut more and does not need to be urged to do so, because there are budget problems, and he wants to cut cadres in any case. It is very good that the commands know that they are being examined, for if this does not happen, another month will pass and everything will swell up again."

Sheqem director-general, Brig. Gen. (Res.) Gabi Nave, who was responsible for manpower in the navy, says that the wasteful image that has been pinned to the commands is not correct. "People get an impression from the hundreds of cars in the big cities, which are there from the command locations, and they have a sense of underemployment. In the navy, for example, there are cuts all of the time, and there is a small command there that is purposeful and very competitive. They are always making cuts in it, but the reservist who arrives and sees clerks who are sitting and not doing anything goes home and tells his friends. That same underemployed clerk does the same thing.

Nave says that the veiled underemployment cannot be reduced to a minimum, because the level of activity in the army changes and is not constant. "The army will never become an economical plant with a manufacturing premium and norms. The IDF is does a lot to become efficient, and, indeed, changed to a five-day work week. If I had asked someone 10 years ago whether this was possible, they would have answered in the negative."

Maj. Gen. (Res.) Yaron sharpens the point. "We must reach a state of no underemployment, and it is possible to reduce and cut a lot, but the result will be that many will not be mobilized into the IDF or will be released. This, apparently, is impossible, as long as the IDF is defined as a national army. We are in a trap. If we mobilize everyone, then the commands swell, there is underemployment, and there are male and female soldiers who do not do a thing."

Col. (Res.) Nava Fels, former commander of Training Center 12, says that it is possible to cut back, and calls for starting with the Women's Corps system. According to her, the obligatory mobilization of women to the IDF should be canceled in preference to a professional army to which only those who want to and are wanted are mobilized.

"I sometimes do not understand how this system works," Fels says. "Today, when I am in the simple civilian class, it is difficult for me to absorb what terrible norms of underemployment exist in the army, especially in the Women's Corps system, and no one is getting up

and making a peep. This matter should be stopped immediately. The problem of the people in the army is that they are in it too much and they do not see what is happening around it. As in every plant where they examine the level of performance and effectiveness of the workers—this must also be done in the army, and the sooner the better."

## KUWAIT

### Report Criticizes Government Exculpation of Banks

94AE0053A London AL-HAYAH in Arabic  
18 Dec 93 p 11

[Unattributed article: "SHALL Report Criticizes Kuwaiti Government Attempt To Justify Investments in Failed Banks"]

[Text] The weekly AL-SHALL economic report criticized the government's attempt to justify investments in failed banks, such as the Tunis International Bank, the Bahrain Middle East Bank, and the French-Kuwaiti Bank. The report stated: "Kuwait's financial reputation should not be linked with those institutions' situation."

The following is the text of the report:

#### Foreign Investments

The Kuwaiti press has published a government report concerning the progress of action to prosecute the foreign investments case. This is the case that has caused, and continues to cause, debate. It affects considerably the credibility of all authorities in the country in regard to facing up to other issues. The report contains what would theoretically be expected. The first part lists a number of measures that the government has taken to try or prosecute principals accused of embezzlement over a long period of time, including the occupation period. There is no doubt that there are those in the government who sincerely want to bring the case to its natural conclusion, using all judicial and political means to finish the case by prosecuting the accused. However, the feeling that this is not the position of the entire government raises certain violent, negative reactions. The scope of the incident, the timing of its occurrence, the profuse evidence regarding violations, and the list of the accused names require zealous political pursuit. At the least, we would like to see certain positions change for the positive.

In the second part, the report explains the changes that have occurred in the General Investments Board—administrative, functional, and in future strategy. The London office has been incorporated under the board's umbrella, and its powers limited. There is also a pledge to prepare a detailed internal program to regulate the powers and responsibilities of the three offices (London, Kuwait, and the support office) scheduled to be established. Moreover, the board intends to prepare its ideas concerning its investments and directions,

with the assistance of specialists from among the directors of its portfolios and its investment specialists, and will periodically change course if the situation requires. This would have been the most complete and strongest part of the report, if there had also been the slightest hint or reference to the board's intent to study the effect of the pressures or tight restrictions that the general financial deficit is exerting, over time, on the size of the investments and on the board's organization and strategy in general.

Perhaps the report's weakest part is the attempt to justify the government's deposits in the Tunis International Bank and the Bahrain Middle East Bank among the large group of banks and financial companies in which Kuwait participates. This, of course, also applies to the French-Kuwaiti Bank, since it is unacceptable to link Kuwait's reputation to these institutions' situations. Because of the volume of investments in these banks, one cannot justify intervening in the manner that was done and under the financial circumstances that existed in the country. Despite that, the intervention did not save most of these institutions, as was our case with Spain during the same period.

Certain circles are raising fears about a collapse that might occur in the prices of certain assets, as a result of some civilians offering their assets in order to have sufficient liquidity to meet their obligations. We do not agree with this, neither in terms of principle nor in terms of the situation's possibilities. With respect to principle, there should be no case of intervention to adjust prices, because market forces are sufficient to modify prices at their true level, even if downturns occur that go below that value in the short term. Perhaps our experiences in intervention, all of which failed after the "climate," are the best evidence of the program's faults. Perhaps Japan's recent experience in not intervening when its share indicator dropped from 38,000 to under 116,000 points [figures as published], including companies whose products we deal with in all aspects of our lives, is additional evidence from the experiences of the world around us.

In terms of the situation, despite the country's passing through the disaster of a destructive occupation, the value of the companies registered in the market is still, as of 15 December 1993, slightly higher than their value on the day before the occupation. A reading of the AL-SHALL indicator for 15 December 1993 shows 101.6 points. This is an indicator of value, which means that the value of the investors' shares is higher than it was before the occupation. It is assumed, theoretically at least, that less value would be acceptable.

The situation is that the indicator's reading on 7 July 1993, i.e., before talk about being close to agreement on the difficult debt program, was 92.7 points and was within the bounds of acceptability. The indicator rose rapidly and illogically to 111.5 points on 15 September 1993, i.e., after publication of Law No. 41/93. This was

a 20 percent rise. The indicators of certain companies rose, due to the possibility of their benefitting from the program, to 2.9 times what they had been before the occupation, while others rose 2.5 times. These increases were illogical or unjustifiable. It was inevitable that the prices that had risen without justification would fall, because of their probable financial performance. The object of pushing their prices to the highest was to achieve profits over the short term. This must have surely affected the possibilities of increase of supply because of the program, or even because of the possibility of a psychological effect that it could leave behind. Despite that, the reading of the indicator last week was higher by 8.9 points than it was on 7 July 1993, i.e., 9.6 percent.

## UNITED ARAB EMIRATES

### Minister Sets Conditions for GATT Acceptance

94AE0057A London AL-HAYAH in Arabic  
23 Dec 93 p 10

[Article by Shafiq al-Asadi]

[Text] Abu Dhabi—the United Arab Emirates [UAE] has affirmed its intention to join GATT. UAE Economy and Trade Minister Sa'id Ghabbash told AL-HAYAH that his ministry is currently drafting a study on the GATT agreement for submission to the Cabinet so that the later can decide whether the UAE will join GATT.

He added that the study will elucidate how joining GATT would be to the UAE's advantage. He said that the UAE has observer status in GATT and participates in all of its meetings.

Economic sources assert that joining GATT would provide many benefits for the UAE, because taxes in the UAE on imports are very low; they do not exceed 4 percent and are as low as 1 percent for many commodities and imports.

If it joins GATT, the UAE will be compensated by a drop in taxes and customs duties levied on UAE exports to other countries of the world.

Representatives of 117 countries approved the agreement on 15 December 1993. The OECD expects that international trade will grow by 6.5 percent in 1995 as a result of the agreement reached in the Uruguay Round.

Ghabbash said that the effect of the UAE's entry into GATT on UAE ready-made clothing exports to the United States would not be quickly felt, because the transition to implementation of the agreement regarding clothes and textiles will last 10 years. He said that the export of ready-made, UAE-made clothes to the United States will be governed by a bilateral agreement between

the two countries. He added that it was decided to extend this agreement for two years as of 1 January 1994 following negotiations between the Economy and Trade Ministry and the U.S. trade office.

The UAE Cabinet has approved a memorandum of understanding stipulating an extension of the agreement with the United States. This approval was conveyed to the U.S. Ambassador in Abu Dhabi early this week.

Ghabbash told AL-HAYAH that he expects a memorandum of understanding exchange between the ministry and the U.S. Embassy in Abu Dhabi next week.

He said that the agreement will regulate new quotas of ready-made clothing exports to the United States, and that it includes joint measures to stop producers outside of the UAE from circumventing the provisions of the agreement.

Ghabbash stressed that the Economy and Trade Ministry will cooperate with the Finance and Industry Ministry and pertinent UAE customs authorities to establish regulations that provide for effective supervision, ensure compliance by economic units in the UAE with decrees concerning the export of ready-made clothes, and eliminate the circumvention practiced by exporters to the United States.

An U.S. delegation recently visited ready-made clothing factories in the UAE with a view toward ascertaining their capabilities and production capacities and stopping violations regarding the export of their products to the United States.

Ghabbash said that the UAE will demonstrate greater concern with stopping erroneous practices on the part of foreign exporters of ready-made clothes through the UAE.

He added that the ministry held a course last October on "Controlling Export Operations" for representatives of the Economy and Trade Ministry, Finance and Industry Ministry, and other pertinent agencies in the UAE.

Economic circles indicate that, as of June 1993, the spun thread, textiles, and clothing sector had the fourth-largest number of factories registered in the UAE (116 factories or 12.8 percent of the total number of factories in the UAE). In addition, factories have been built in the Jabal 'Ali free zone to enjoy the advantages which this zone offers to exporters.

The Finance and Industry Ministry recently decided to stop issuing new licenses for ready-made clothing factories. It is preparing a comprehensive study commissioned by the cabinet on the position of this industry. The ministry stresses the unfeasibility of establishing new factories in this sector at present.



## REPUBLIC OF YEMEN

**Bin-Husaynun Discusses Oil Companies' Security**

94LD0003A London AL-HAYAH in Arabic 22 Oct 93 p 9

[Interview with Yemeni Oil and Mineral Resources Minister Salih Abu-Bakr Bin-Husaynun by Randah Taqiy-al-Din in Sanaa; date not given]

[Text] Yemeni Oil and Mineral Resources Minister Salih Abu-Bakr Bin-Husaynun said that the situation has improved following the accident that occurred in the Total company operations area. The security situation has begun to improve, he said. In a statement to AL-HAYAH he discussed the future of the oil sector and cooperation with the oil companies. He called for the establishment of "security guards in order to protect companies' operations and enable them to operate under normal conditions." The Yemeni minister said revenue from oil since 1990 totalled about \$2.5 billion and daily production at present is 310,000 barrels per day [bpd]. He said Yemen has signed a letter of intent with French companies for the development and modernization of Aden refinery.

The following is text of the interview:

[Taqiy-al-Din] What is the present average oil production and what are the expectations with regard to future production?

[Bin-Husaynun] Oil has a long history in Yemen. Exploration operations go back to the thirties, but because of the situation then and due to the policies pursued in the area the companies did not wish to get involved in oil exploration operations in Yemen, neither in the northern or southern parts. Recently a number of companies started work in the north and the south. After unity, the number of companies reached 30 nationalities. We produce oil only in three areas:

1. Ma'rib al-Jawf, or what we call Ma'rib al-Jawf basin where the Hunt Company is operating. It produces 180,000 bpd.
2. In Shabwah, Nimr Petroleum Company produces between 6,000 and 7,000 bpd.
3. In Hadramawt, specifically in al-Masilah, where Canadian Oxy and its partners produce 20,000 bpd.

Thus our production reaches 310,000 bpd. There are great possibilities to increase production when new fields are discovered, particularly since some companies have now reached the stage of drilling and evaluating the wells capacity.

[Taqiy-al-Din] Reports indicate that evaluation of new wells has been completed by the French Total Company in sector 10 of Shabwah. Is it possible to give us an idea about the reserves in the Jannah and Shabwah areas, and how will Total Company transport the oil which it will produce from the field it is operating?

[Bin-Husaynun] The Total Company, as an operator company, has helped us to find two discoveries, the first was in Biqua' No. 5—in Jannah—where the reserve could reach 335 million barrels, according to preliminary estimates.

The second is in east Shabwah or sector No. 10 where there is an estimated 200 million barrels of reserve. The company is now carrying out an estimate of the quantities of reserve distributed among a small number of wells. A study is now being carried out of the quantities that can be extracted from the Jannah area or in the eastern sector of Shabwah. Negotiations are under way between the companies and the ministry regarding concluding the evaluation and beginning an estimation of what can be produced. Negotiations will soon begin between the government, the companies, and the companies owning the pipes in order to link production from the Jannah field to the line of Shabwah or the line of Safir. The al-Nimr Company is operating in Shabwah.

With regard to sector 10 in east Shabwah, we are now trying to link the Canadian Oxy line, which is the al-Masilah line. Negotiations are under way between the companies and sector 10. The production line will be linked to the al-Masilah line and sector No. 5 will be linked to either of the lines: either to Shabwah line in which al-Nimr company is operating, or to Safir line where the Hunt Company is operating.

[Taqiy-al-Din] What type of oil is this?

[Bin-Husaynun] The oil in Jannah is light, and in sector 10 is similar to that of al-Masilah. It is low in sulphur and desired by the world refineries.

[Taqiy-al-Din] You gave us a figure about the recently discovered reserves in both sectors, but what will their daily production level be?

[Bin-Husaynun] According to information available to us so far, we can today produce from Jannah field 25,000 to 30,000 bpd. If we can now link the transport lines it would be possible to begin production quickly, and within four to six months maximum we can begin production.

We can produce from sector 10, 15,000 to 20,000 bpd. We have another plan with Total Company to step up drilling operations in order to increase the number of wells in the sector. We have extended the company's license for another two years in order to provide the sector with a greater amount of data. In which case production can begin within a shorter period of time than required in Jannah, because it is very near. If we agree on a dialogue between the companies that will carry it out we can begin within three months.

[Taqiy-al-Din] Are the new contracts with companies based on production sharing?

[Bin-Husaynun] Yes, they are based on production sharing and the provisions of the agreements that were signed after unity, totalling 26 agreements, are good for both the government and the companies. In some contracts the rate reaches 23 percent for the company and 77

percent for the state. At the same time the state obtains 10 percent of the rights before the production costs (agreements concluded before the unity). Agreements concluded after unity vary, such as, the contract with Canadian Oxy is 66.7 for the state and the rest is for the company. Agreements with Total Company are based on the same rate. In the agreement with Hunt Oil the company obtains 60 percent of the division, but the state has 50 percent rights of Hunt's share.

[Taqiy-al-Din] What about Elf Aquitaine company resuming exploration?

[Bin-Husaynun] Alif Akitan has been operating in the Sayr Hazar sector, which is a big sector. Suspension of exploration is up to the company. The company claims that there are problems in the border area concession area, but we are now discussing those matters. The company will probably resume its work shortly, God willing. The sector in which the company carried out some substantial work in the past years is large. We are now discussing the resumption of work in the same sector. Discussions are in progress, and we believe the company might resume its work by the end of this year.

[Taqiy-al-Din] An incident occurred in the Total operation area and one person was killed. What was the cause of this incident?

[Bin-Husaynun] An incident occurred in the camp following which the government took measures and arrested a number of people accused of perpetrating the incident. Such incidents do take place in certain areas. But this incident did not obstruct the company's work. Last year some experts were detained. All these incidents occurred because of disputes over employment or non-employment of citizens. But what is important is that the situation has improved and the government is devoting great attention to the companies. We might set up highly mobile security units that will be stationed at company sites so they can operate normally.

[Taqiy-al-Din] What about the project that has been agreed upon to modernize the Aden refinery?

[Al-Husaynun] Two days ago we signed an agreement with a group of a French companies consisting of Foster Wheeler, [?Sijilik] and [?Francegi] to carry out an economic study for the modernization and development of the Aden refinery, which will be submitted to the ministry. Negotiations will be held with the companies regarding obtaining financing for the modernization which, if agreed upon, can be completed in two stages. The refinery is old and its production capacity is 170,000 bpd. We have previously modernized Aden refinery and spent \$140 million to build an oil plant, reservoirs, and dockyards. We now have signed an agreement with the Malaysians who will provide \$50 million worth of electric power equipment in return for refining charges.

We hope to reach an agreement with the group of companies which we contracted to carry out the study at

a cost of \$400,000. Thus we will begin the plant modernization if an agreement is reached. Modernization means building refining units that are compatible with the modern installations available in the oil sector, i.e., is higher productive units than the ordinary ones.

What we propose to do at the first stage is to operate the refinery at its present capacity level, that is 8.5 million tons a year or 170,000 bpd. In subsequent years production will increase to 250,000 bpd. Modernization of the refinery will cost between \$500 million to \$600 based on the preliminary studies for the two stages. But the cost estimate was done before some of the modernization work which we carried out. The cost will be divided over stages, the first of which will be about \$250 million to \$300 million, and the balance will be allotted to the second stage.

[Taqiy-al-Din] From where will you get the finance for this project?

[Bin-Husaynun] We do not propose to enter into commercial financing using commercial loans. We are not ready to obtain high interest loans. But we are ready to obtain easy payment loans, repayable by services offered by the refinery, such as refining, storing, or anything else. We might obtain interest free loans repayable by a daily quantity of oil. This is what (?Alif) Company wishes to do if we agree on the conditions. We might also enter into partnership with the French companies. We will receive the study within four years.

[Taqiy-al-Din] How do you view the political situation in the south, bearing in mind that you are a southerner?

[Bin-Husaynun] I would like to say that the unity has been achieved. It has been realized calmly and through a brotherly, democratic, and peaceful dialogue. Unity has long been the dream of all the Yemeni. It has come to stay and will remain.

[Taqiy-al-Din] What about the vice president going into seclusion. This seclusion is causing concern over the situation.

[Al-Husaynun] First, I am against going into seclusion, but I am for the clarification of the issues and problems that are important for the people and for their daily life. I am for entering into direct negotiations in order to solve the problems.

#### Reasons for Constitutional Amendments Discussed

94LD0002A Aden 14 UKTUBAR in Arabic  
12, 13 Sep 93

[Unattributed article: "Memorandum on Reasons Calling for Amending Articles of Republic of Yemen's Constitution"]

[12 Sep, p 7]

[Text] A constitution is a fundamental law that defines the form of the state, the type of government, the method

of regulating the structure and powers of public authorities, and the method of regulating their relations with each other. It also spells out the citizen's fundamental rights, liberties, and duties of individuals.

A constitution is tied to the presence of a state. There is no society with any degree of organization which does not have some fundamental rules that explain this society's system of government. Therefore, the lack of a constitution that regulates government affairs throws the door wide open for political conflicts among various political and intellectual tendencies. Moreover, the logic of force, domination, and monopolization of the control of government affairs prevails, thus resulting in many negative consequences that harm society's unity, stability, and development.

A constitution, like other laws, is a social phenomenon that expresses the spirit of the educational, intellectual, and cultural environment prevailing in a society. By its nature, this environment is subject to change in accordance with the law of ceaseless development in a society's life. This change dictates that a degree of accord and harmony be achieved between the new reality produced by the given facts of change and modernization in society's social, political, and economic life on the one hand and, on the other hand, society's fundamental law, which is embodied in the constitution, so that the latter will be subject to the logic of amendment that keeps up pace with and expands to accommodate the change. In other words, any change in life's ever-dynamic circumstances must be coupled with and accompanied by parallel development in the laws so that society's real conditions will not be divorced from its legal structure.

While acknowledging that it is important and necessary that a constitutional system be stable, this stability cannot be so absolute that it leads to rigidity in constitutional life. Absolute rigidity of constitutions is incompatible with the principle of development and it poses the threat of violent unrest in a society's life. Moreover, absolute constitutional rigidity results in denying sovereign nations the exercise of their sovereignty to amend their constitutions whenever they deem it necessary to do so. This contradicts the nature of things. How could a group impose on itself laws which it cannot amend afterward? In harmony with these logical considerations, we find that the constitutional legislator himself inserts into the constitution provisions that make it permissible to amend one or more articles of the constitution and that spell out the procedures that have to be observed in this regard. Thus, the negatives of slipping into absolute rigidity are avoided and, at the same time, a reasonable degree of stability in the constitutional system is ensured.

In a related area, when the constitutional legislator establishes the fundamental rules of the system of government and of public liberties in the state, he gives expression to the true nature of the existing conditions and circumstances, be they political, social, or economic, and the nature of the tendencies and ideas prevailing at

the time. Therefore, the legislator cannot bypass the circumstances and leap ahead of time, thus taking into account circumstances and conditions that have not developed yet. Therefore, it is a proven fact that when circumstances dictating amendment develop, amendment of the constitution becomes inevitable. This is because justifications for the continued presence of past conditions have disappeared and because one has to keep pace with new developments.

On this basis, we find that most political, economic, social, cultural, and administrative ideas and opinions on the national horizon of the Yemeni arena are unanimous that the 1981 constitution of the republic was drafted under certain political circumstances that are different in form and content from the current political circumstances and all their transformations, changes, and developments.

The constitution has been founded, as everybody knows, on harmonizing the various political ideas and the contradictory positions that were adopted by the two former regimes under the extraordinary conditions of partition. Thus, the constitution document emerged as a formula which balanced the different political and organizational ideas and tendencies of each of the two parts. It was evident that the provisions of this document lacked precision, cohesion, and harmony. It was even rumored that some provisions had been written with the determination not to achieve anything for Yemen's unity. Despite all this, the supreme national interest dictated that the document's weak points and deficiencies be overlooked so as to preserve the harmony formula that had been developed and that was suitable as an agreed foundation for accomplishing the great objective. This formula constituted a gain then, having been achieved over a long period of time and only after great and exhaustive efforts.

It is well-known that the period from 1981 to 1992 produced a number of important national, regional, and international developments and changes, most significant of which was accomplishment of the great civilizational plan embodied in restoring unity and proclaiming the Republic of Yemen on 22 May 1990. This development was followed by great national efforts to implement the process of the republic's political, economic, administrative, and judiciary development and merger through energetic and ceaseless efforts by the state's concerned authorities. These authorities have begun to eliminate the traces of partition and its hateful legacy. They have been able, despite the state's flawed institutional structure and despite the duality and ambiguity of the constitutional institutions, to accomplish numerous important institutional and legislative achievements to unify the Republic of Yemen. The recent period has produced numerous unified laws. That period has, moreover, led to rearranging and unifying most of the organizational and administrative structures and to establishing unified institutions and agencies that are engaged in various activities and that seek varied objectives.

It is worth noting now that prior to the referendum on the constitution, the Presidential Council had promised the people in a statement to present to the early meetings of the elected House of Representatives any observations



brought up regarding the constitution. The fact that the current house has been elected in accordance with the constitution puts this house and the Presidential Council face to face with their responsibility to fulfill the commitments they had made to the people.

As an extension of this effective activity to build and develop the Republic of Yemen and in view of the fact that the practical application of the constitution has demonstrated that its provisions—which are based, as we have already pointed out, on the circumstances under which it was drafted and prepared, i.e., the circumstances of partition—cannot keep up with the developments the region is experiencing, this constitution has to be reviewed and examined article by article so we can put our finger on its weaknesses and deficiencies and on the ambiguities in its principles and rules and so we can emerge with a new and clear vision that achieves harmony, that embodies unity's objectives, and that keeps pace with all of the national developments in the political, economic, and social areas. In this review and examination, consideration must be given to all the opinions, observations, and criticism voiced on some of the constitution's provisions. We must deal with whatever is raised in this regard with a patriotic and democratic spirit that respects contrary opinion and gives precedence to the supreme national interest. For all the general considerations and justifications explained above, it has become urgent to amend the constitution in order to secure the future of the democratic procession, to strengthen national unity, and to lay down sound foundations for building the modern state of Yemen—a state of constitutional institutions. This step is also a national mission with which to crown the accomplishments that have already been achieved in an endeavor to create Yemen's desired cultural revival under the modern edifice of a state of constitution and laws. There is no doubt that the national resolve which accomplished Yemen's unity is capable of achieving a lot to serve the country with the same patriotic spirit and peaceful national democratic dialogue which prevailed in the achievement of unity, that great historical accomplishment.

It is established and confirmed in constitutional and legal jurisprudence and it is unanimously agreed among jurists and interpreters of constitutional law that the concept of constitutional amendment includes amending or abolishing what is extant and adding what is proposed to be included in the constitution.

Amendment includes amendment by addition, omission, abolition, or rephrasing. This is because a constitutional amendment is passed to meet an urgent need or to keep pace with existing developments or developments that are likely in the foreseeable future. Consequently, the firmness of a constitutional base hinges on its ability to absorb society's political, economic, cultural, and social constants and society's aspirations in all areas of society's activities, and for the longest time possible.

According to this legal framework, it is extremely important to review the issues on which the demand for amendment focuses, whether by rephrasing the constitutional article, by adding to it, by omitting from it, by abolishing it, or by adding new provisions to some sections and chapters of the constitution. The reasons dictating the demand for amendment must be clarified for every one of the issues included in the demand for such amendment. This clarification must be made according to the sequence of the constitution's sections and chapters, as shown in the following:

## Section 1

### Fundamentals of State

#### Chapter 1

##### Political Fundamentals

Article 1. It is required to amend this article by adding to it a phrase which emphasizes that the state, both as an entity and as people, belongs to Arabism and Islam. These two characteristics must be underlined for both the State of Yemen and the Yemeni people and not just for one without the other, which is what article one of the constitution has done. The article must also emphasize that the Yemeni people belong to the Islamic nation, in addition to being part of the Arab nation. The phrase "Islamic nation" should replace the "Islamic world."

Article 3. It is required to amend this article in order to clarify the source from which laws are derived by pointing out in a clearly worded phrase that the Islamic shari'ah is the source of all legislation, considering that there is no disagreement over this issue. We must do this on the basis of our belief in the dictates of the Islamic shari'ah and in the capacity of its tolerant teachings which can accommodate all changes and developments at all times and in all places. The shari'ah can accomplish this through its comprehensive sources of its controls that are defined in the principles of jurisprudence. These principles include sources from which laws appropriate for the development of human societies are derived. The sources include consensus, analogy, consent, the example of the prophet's companions, incompletely transmitted interests, and other evidence approved legally by Islamic jurisprudence. All this ensures the freedom of opinion in a manner that doesn't violate the Islamic shari'ah.

##### Article To Be Added

Article...An amendment is required by adding to Chapter 1 an article that defines the state's political identity in light of the democratic option that is based on party pluralism in its capacity, along with the principle of the peaceful rotation of power, as one of the national constants that must be underlined in the constitution and must be bolstered with stipulations stated within the political principles incorporated in Article 39 of the constitution. This amendment shall also stipulate that the law will define the categories of state employees who

shall be prohibited from engaging in any party activity because the public interest dictates it.

The amendment introduced by this added article also seeks to enhance what is already stated in the political parties and organizations law about the impermissibility of exploiting public jobs or public funds to serve the interest of a certain political party or organization. The amendment also seeks to establish this impermissibility as a constitutional principle and as one of the state's fundamental principles so as to strengthen the democratic system and party pluralism; to ensure the safety and neutrality of public jobs; and to protect public money. In order to achieve this end, the text of the amendment must be binding to all agencies, parties, and officials in the various positions of responsibility.

## Chapter 2

### Economic Fundamentals

Article 6. It is required to rephrase this article in order to clarify the economic tendency so that the state's economic policy will be founded on a free economic activity that doesn't undermine society's interest; so that national independence will be strengthened; and so that all interests will be tended and balanced. To accomplish this end, clear and harmonious principles based on the following tendencies have to be embraced:

- A. Islamic social justice in economic relations with the aim of achieving social solidarity and balance, developing and improving production, and enhancing society's living standard.
- B. Apply the rule of profitability to economic and production activities managed by the public sector, considering that these activities are tantamount to a public social property that must be managed according to economic and commercial criteria. This is accomplished by adopting the principle of legitimate competition which ensures fair cooperation between the various economic activity sectors and makes sure that these sectors are treated equally and fairly.
- C. Protect and preserve private ownership so it will not be undermined, unless for the sake of a public interest and only with fair compensation in accordance with the law.

Article 7. It is required to amend this article in order to eliminate the ambiguity engulfing the word "derivatives." This word should be replaced by "kinds" because derivatives come into existence after natural resources are discovered and produced.

Article 8. It is required to rephrase this article in order to eliminate the restriction it contains regarding public institutions and public resources. It is required that the state's general plan be established with a comprehensive view of all of society's resources. The cooperative sector should be included as one of the sectors which, as

stipulated by this article, must be developed and enhanced through the state's economic policy.

Article 9. It is required to amend this article to make it compatible with free economic activity so that the government role will be to tend and encourage rather than to direct and control, which are incompatible with the principle of free economy. Free economic activity shouldn't be restricted, unless it undermines society's interest. The amendment should also state that monopoly, which is harmful to society, is prohibited. The amendment should also seek to encourage private capital to invest in the various areas of economic and social development.

Article 15. It is required to amend this article so as to make a distinction between contracts on the utilization of natural resources which, as stipulated by the article, must be concluded by law, and concession contracts connected with public utilities. It is difficult to conclude the latter contracts by law in every case because they take many and varied forms and because most of them are small contracts, such contracts to manage rural water projects, a park, or a school cafeteria. Therefore, the text should state that these contracts shall be concluded in accordance with the law and not by a law.

In addition to the articles that are required to be amended in this chapter in the manner demonstrated above, amendment should also be made through the addition of a number of articles to Chapter 2 so as to deal with the deficiency from which the current constitution suffers in a number of important areas connected with economic components for which no provisions exists. These amendments should be included in five articles that deal with the following issues:

- article...concerning the inviolability and protection of public property.
- article...to ban the confiscation of public property and to require a court decision for the confiscation of private property.
- article...on alms tax as one of the resources which the government must collect and which it must spend for purposes specified by the shari'ah.
- article...to underline the inviolability of awqaf [religious trusts] and to improve their resources and spend them in a manner that ensures achievement of the objectives and goals of these trusts as specified by the shari'ah, thus ensuring that they perform their role in development in accordance with the shari'ah.

## Chapter 3

### Social and Cultural Fundamentals

Article 12. Because various provisions of the constitution state explicitly that numerous relations and activities shall be regulated by the law, it is extremely important that a provision be added to this article of the constitution to stipulate that the law shall regulate unionist and professional activity and relations

between labor and work owners so as to ensure that these relations are founded on an economic basis that observes the rules of social justice.

Because there is an evident deficiency in this chapter regarding a number of important social components that are compatible with the principles of Islam and the principles and objectives of the Yemeni revolution and that reaffirm the noble values which have been ingrained in the Yemeni society's conscience throughout its life and development, the constitution must incorporate and confirm these components in articles that should be added to this chapter as follows:

- an article stipulating that the Yemeni society is based on a social solidarity founded on justice, freedom, and equality;
- an article on family as the basis of society and on religion, morals, and love of the country as the mainstays of both family and society;
- an article on the government's role in protecting maternity and childhood;
- an article on education, health, and social services as mainstays of society's structure and progress and on the government's and society's role in providing them;
- an article on the role of women in society;
- an article on natural disasters and general catastrophes and the need to ensure that the government, in solidarity with society, shoulders the burdens emanating from them;
- an article on the government's preservation of historical antiquities and on cooperation by the citizens with the government to incriminate those who undermine the inviolability of antiquities.

#### Chapter 4

##### Fundamentals of National Defense

Article 21. So that the ban stated in the text of the article on the formation of military or paramilitary organizations by any circle or group may include political parties and organizations, it is extremely important to amend the article by inserting into it an addition to make it state that the ban includes the formation of any military or paramilitary organization by any political party or organization for any purpose and under any name whatsoever.

Article 25. The subject of amendment in this article should focus on clearly defining the police's relationship with the judiciary authority, on eliminating the ambiguity as to who controls the police, and on requiring the police to adhere to orders issued to them by the judiciary authority in accordance with the law.

Article...The national interest dictates that an article be added to this chapter to underline the armed forces' neutrality in order to reflect their embodiment of the national unity, to prevent their exploitation for the interests of any party, individual, or faction, and to protect them from all forms of discrimination.

#### Section 2

##### Citizens' Fundamental Rights and Duties

The amendment's main tendency in this regard is to replace some words or phrases over which there has been controversy because their indications have been understood vaguely by some people. Because of the confusion created by this vague understanding and in order to settle the controversy, it is necessary to replace these words and phrases by other words or phrases that serve the purpose clearly and in a manner that leaves no place for ambiguity and that creates no verbal controversy. The amendments should be as follows:

- Article 27. It is required to amend this article so that it will stipulate that all citizens are equal in public rights and duties and that the state may not discriminate or make distinctions in human rights because of sex, color, origin, language, profession, social status, or religion.
- Article 31. This article should be amended by replacing the phrase "by law" with the phrase "in accordance with the word of..." This article should be rephrased so that it will make it clearly understood that no penal law may be issued with a retroactive effect.
- Article 32. It is required to amend this article so as to eliminate the contradiction in some of its paragraphs, to achieve a clearer and more realistic definition of the authorities concerned, to underline the public prosecution's authority to keep somebody detained for a maximum period of seven days, and to make the law spell out the maximum duration of precautionary detention.
- Article 33. It is required that this article be amended so that any ambiguity regarding its intent will be eliminated. Amendment should be done by rephrasing the article to make it clear that its intent is to ensure that the execution of penalties is carried out with proper means and that no laws to the contrary may be passed.
- Article 37. It is required to amend this article by adding to it a provision stating that education shall be compulsory in the basic phase and that the state shall exert efforts to eliminate illiteracy and to expand technical and vocational education.

In a related area, some provisions must be added to some articles of this section of the constitution in order to fill the gap it contains and to underline a number of the citizen's fundamental rights that haven't been stipulated by this constitution and that are no less important than the right to education, which is stipulated by the constitution.

These rights must be stipulated by amendments that add to this Section 4 articles that cover the following:

- an article that ensures the right to defense directly or indirectly throughout the phases of interrogation and litigation before all courts and that makes certain that



the state provides legal aid to those who are financially incapable;

- an article on the right of all citizens to health care—an article that calls for a law to regulate the medical profession, for expanding free medical services, and for spreading health awareness;
- an article to ensure that the government provides the citizens with social guarantees in cases of sickness, disability, unemployment, and old age, as well as guarantees for martyrs' families;
- an article on the citizens' right to vote, to run for election, and to express their opinion in referendums. The law should regulate the rules governing the exercise of this right.

Considering that this chapter is concerned in the first place with the citizens' fundamental rights and duties and that the constitution has failed to define the citizens' fundamental duties in this same section, amendment should be made by adding three articles on the following:

- an article on the duty to pay taxes and public costs in accordance with the law;
- an article on the duty to perform the national defense service [military service], which is regulated by the law;
- an article on the duty to preserve national unity, to protect state secrets, and to respect laws and abide by their provisions.

### Section 3

#### Regulation of State Authority

It is important to point out that the title of this section as it is currently found in the constitution has the word state "authority" and not state "authorities." This section incorporates four chapters that regulate the state authorities, which are embodied in the House of Representatives, the Presidential Council, the Council of Ministers, and local government agencies. The section does not include the powers of the judiciary authority as one of the state's three main authorities. Rather, a separate section, namely Section 4 which is entitled "The Judiciary and Public Prosecution," has been set aside for this authority under a title which gives the impression that it is no more than a service utility. It is evident from this that Section 3 regulates several state authorities and not just one authority, as implied by its current title. Moreover, the provisions concerning the judiciary are listed in Section 4, which means that this authority is not considered one of the state authorities. This position clearly reflects the totalitarian conditions and concepts which existed under the partitioned Yemen and which did not acknowledge the principle of plurality of powers and of their separation. There is no doubt that this position has reflected negatively on the content of a number of the constitutional provisions, especially in this regard, considering that these provisions are either vague, two-sided, or deficient. This is a normal outcome of the balancing approach which governed the method that was used to draft the constitution under the conditions of a

partitioned Yemen. Were it not for the collective sense of national responsibility which the entire political leadership has displayed in dealing with state affairs and with the authorities' relations with each other, numerous dangers and crisis would have surfaced and it would have been difficult to obviate their consequences and ramifications. This is one of the fundamental motives and justifications for the endeavor to amend the constitution. The constitutional provisions regulating the state authorities must be clear and specific in a manner that does not permit duality in powers and authorities and that does not allow the undermining of one authority vis-a-vis the other authorities. These provisions must leave no place for the inability to determine accountability or to prevent overlapping in the authorities' exercise of their powers so they can make it easy to determine the areas of integration or cooperation between the authorities. Obviation of the negatives existing in the constitutional provisions and the likely future perils of these negatives cannot be just left up to the patriotism of the people in charge of the various authorities and to their assumed wisdom in dealing with issues. It is a national duty to draft constitutional provisions that regulate the state authorities precisely so that we can have a firm and clear base for the future; can ensure, cement, and protect the country's gains; and can move forward with firm steps to achieve our people's legitimate aspirations.

Before we deal with the main amendment tendencies concerning each chapter of this section separately and before we tackle the articles that need to be amended, which will be listed later, we will review briefly here the structural composition of the state institutions which the amendment seeks to establish so that components of Section 3 will be as follows:

### Chapter 1

#### Legislative Authority: House of Representatives

Article 40. The amendment listed for this article is as follows:

1. The word "approve" should replace the word "decide" because this is compatible with the house jurisdiction, considering that the word "decide" signifies drafting and preparing more than it signifies giving approval.
2. The word "guidance," which precedes the phrase "and control" should be abolished, considering that the House of Representatives is concerned with legislation and control. The constitution defines the means of constitutional control to which the house is entitled and which are embodied in: ratification of treaties and agreements (Article 48); approval of the state's final account (Article 49); approval of the state budget (Article 50); approval of the transfer of any sum of money from one section of the general budget to another and of any expenditure not listed in the budget or exceeding the estimates (Article 51);

approval of the law which determines provisions of the public establishments and organizations budget, of their accounts, and of the independent budgets and their final accounts (Article 52); and the right to offer directions, meaning recommendations, to the government on public issues. It is then the government's duty to explain to the house why it cannot implement the recommendations, if it cannot implement them (Article 68).

The house is entitled, if 20 percent of its members so request, to hold a general debate and to query the government policy on any public issue and to exchange ideas on it (Article 69). The house is also entitled to form a special fact-finding committee or to assign one of its committees as a fact-finding committee to investigate issues in numerous areas and with broad powers (Article 70). The house is also empowered to approve public economic and social development plans by a law. At the same time, the house passes the law that defines how plans shall be drafted and presented to it (Article 71). On top of all of this, the house grants the government the vote of confidence (Article 72) and is entitled to withdraw it from the government (Article 73). The house is also empowered to refer the prime minister, his deputies, and ministers to the courts (Article 111). Every house member is entitled, moreover, to query and question [the government] and to propose laws and law amendments. All these are constitutional control instruments. Even if a small part of them is used well, it will be beneficial to the country, the people, and the country. This is why it is better not to keep the word "guidance" or to cling to it. Its presence serves no purpose. All this word does is arouse futile debate and conflicting ideas that contradict the constitutional structure and the principle of the separation of powers.

Article 42. The amendment listed for this article is as follows:

1. Provision (3) of Paragraph (B), which merely stipulates that a candidate running for election to the House of Representatives shall not be illiterate, must be replaced by the requirement that a candidate must master reading and writing so that the house can achieve greater efficiency.
2. Add to the prerequisites the requirement that a candidate running for election to the House of Representatives must observe the religious rites and must not have been convicted of the crime of violating honor and trust, unless rehabilitated. The objective is to underline the important aspects of good conduct and behavior and to encourage those who wish to run for election to the house to behave accordingly.

Article 46. It is required to amend this article so as end dual jurisdiction over election disputations, listed as jurisdiction that belongs to the Supreme Court. This amendment should be made by either abolishing the article or by rephrasing it.

Article 48. It is required to amend this article by rephrasing it to define clearly and precisely the issues which have to be approved by the House of Representatives so as to steer away from the inapplicable generalization of the current article. What should be approved by the House of Representatives are: treaties and agreements connected with defense, alliances, peace, or border modification; treaties and agreements that result in financial obligations to the state; and treaties and agreements which require that a law be issued for their implementation.

[13 Sep, p 6]

[Text] Following are the main tendencies of the amendment needed for each chapter of this section separately, according to the classification noted above, as well as the articles required to be amended within each chapter:

### Section 3

#### Regulation of State Authorities

##### Chapter 1

##### Legislative Authority: House of Representatives

Article 40. The amendment listed for this article is the following:

1. The word "approve" should replace the word "decide" because this word is compatible with the house jurisdiction, considering that the word "decide" signifies drafting and preparing more than it signifies just approval.
2. The word "guidance," which precedes the phrase "and control," should be abolished, considering that the House of Representatives is concerned with legislation and control. The constitution defines the means of constitutional control to which the house is entitled and which are embodied in: ratification of treaties and agreements (Article 48); approval of the state's final account (Article 49); approval of the state budget (Article 50); approval of the transfer of any sum of money from one section of the general budget to another and approval of any expenditure not listed in the budget or exceeding the estimates (Article 51); approval of the law which determines provisions of the budget of public establishments and organizations, approval of these organizations' accounts, and approval of independent budgets and their final accounts (Article 52); and the right to offer directions, meaning recommendations, to the government on public issues. It is the government's duty to explain to the house why it cannot implement the recommendations, if it cannot recommend them (Article 68).

The house is entitled, if 20 percent of its member so request, to hold a general debate and to query the government policy on any public issue and to exchange views on such a policy (Article 69). The house is also entitled to form a fact-finding committee or to assign one of its committees to investigate issues in numerous areas and with broad powers (Article 70). The house is, moreover,

empowered to approve public economic and social development plans by law. At the same time, the house passes the law that determines how plans shall be drafted and presented to it (Article 71). On top of all of this, the House of Representatives grants the government its vote of confidence (Article 72), and it is entitled to withdraw this confidence from the government (Article 73). The house is empowered to refer the prime minister, his deputies, and ministers to the courts (Article 111). Every house member is entitled, moreover, to question and query and to propose laws and law amendments. All these are constitutional control instruments. Even if a small part of them is used well, it will be beneficial to the country and the people. This is why it is better not to keep the word "guidance" or to cling to it. Its presence serves no purpose. All this word does is arouse futile debate and conflicting ideas that contradict the constitutional structure and the principle of the separation of powers.

Article 42. The amendment listed for this article is as follows:

1. Provision (3) of Paragraph B, which merely stipulates that a candidate running for election to the House of Representatives shall not be illiterate, must be replaced by the requirement that a candidate must master reading and writing so that the house can achieve greater efficiency.
2. Add to the prerequisites the requirement that a candidate running for election to the House of Representatives must observe the religious rites and that he must not have been convicted of the crime of violating honor and trust, unless rehabilitated. The objective is to underline the important aspects of good conduct and behavior and to encourage those who wish to run for election to the house to behave accordingly.

Article 46. It is required to amend this article so as to end the dual jurisdiction over election disputations, listed as jurisdiction belonging to the the Supreme Court. This amendment should be achieved by either abolishing the article or by rephrasing it.

Article 48. It is required to amend this article by rephrasing it to define clearly and precisely issues which have to be approved by the House of Representatives so as to steer away from the inapplicable generalizations of this article. What should be approved by the House of Representatives are: treaties and agreements connected with defense, alliances, peace, or border modification; treaties and agreements that result in financial obligations to the state; and treaties and agreements which require that a law be issued for their implementation.

Article 50. The amendment listed for this article is purely formal. It calls for dividing the article into two paragraphs, making the final sentence of the article an independent paragraph, listed as paragraph B. What precedes this paragraph will be listed under paragraph A. This is because even though the final sentence is short, it

encompasses several important provisions that are distinctive from the rest of the article.

Article 52. The amendment listed for this article calls for adding the word "otherwise" before the phrase "shall be subject to the provisions...." The purpose is to phrase this article precisely. The fact that this word is missing in the article negates the justification for the entire article because the main purpose of this article is to have the law establish special provisions for the budgets and accounts of public authorities and establishments, and for independent and attached budgets and their final accounts. This is what justifies creating these authorities and establishments and making them financial accountability independent of that of the state. The provisions governing the general budget and its final account will thus become the general rule where no special provisions exist.

Article 54. The amendment listed for this article seeks an effective structure of the house leadership by stipulating that this leadership should consist of a speaker and three representatives who constitute the House of Representatives Office. The amendment also stipulates that the house shall have a general secretariat headed by a general secretary, provided that the house bylaws spell out the provisions concerning formation of the secretariat and other related provisions.

Article 57. The amendment listed for this article seeks to ensure complete clarity and absence of duality regarding convocation of the house's ordinary and special sessions. It stipulates that the house shall convene two ordinary sessions. It makes it permissible, meanwhile, for the house to convene special sessions on a decree issued by the president at his own wish or in response to the written request of the house office or of one third the house membership. It also stipulates that the session convened in the final quarter of the year shall not be adjourned until the general state budget is passed. This determination is very important for making the house efficient, considering that the current text is deficient and that past experience convinces one that this amendment is necessary.

Article 66. To ensure that the House of Representatives member is effective and that the house membership rises to the level of the house's immense responsibility and the level of the voters' good opinion of the house, the amendment listed for this article focuses on making a member's serious violation of his membership duties, as defined by the house bylaws, a reason that makes it permissible to drop his membership. One should keep in mind that the constitution empowers the house to draft its bylaws in accordance with the text of Article 45 of the constitution.

Article 67. The amendment listed for this article seeks the following:

1. Omit the power granted to unions and mass organizations to propose, through their representatives, draft laws or law amendments because this is in violation of the character of the House of Representatives member as a general representative of all the people and because this stipulation is incompatible



with the reality, considering that there are no House of Representatives members who represent unions of specific organizations directly.

2. To ensure that no bills to increase, abolish, or reduce taxes, to lower some taxes, or to allocate a part of the state funds for a certain project are initiated, the amendment requires that such bills be presented by the government or by one-fourth the house members. For further clarity, the phrasing should be amended to state explicitly that a law proposal may be submitted by one or more members of the House of Representatives.

Article 68. It is required to amend this bill by replacing the word "directives," which occurs twice in the article, by the word "recommendations" because the word recommendations is compatible with the principle of the separation of powers that is founded on cooperation and integration. The purpose is to eliminate the word "directives" as a cause of controversy over whether the word signifies or does not signify the separation of powers. If the word "directives" is understood to be binding, then it means that there is no separation of powers. Such an understanding is incompatible with the powers and other control instruments granted to the house but is compatible with the totalitarian system, as we have pointed out in connection with the amendment concerning Article 40.

Article 72. It is required to amend this article by adding to it a phrase that clarifies what is meant by the phrase "government program," which is mentioned in the text of the article, and to eliminate the ambiguity engulfing this program. The phrase that is required to be added is "which defines the broad lines of the domestic and foreign policy." To eliminate any future ambiguity or controversy, the word "program" should replace the word "statement" which occurs in the article.

Article 77. The majority of the provisions of this article repeat provisions already stated in Article 55 of the constitution. It is required to rephrase this article so that this repetition will be eliminated. The amendment should also state that a final vote shall be taken on every draft law and that the house bylaws shall determine the relevant procedures.

Article 78. The amendment seeks to fill the gap existing in the article regarding the practical procedures that have to be established in case it is planned to dissolve the house—such as procedures that set the period during which elections have to be held and that suspend house sessions until results of the next election appear. It is very important to regulate these aspects so that lack of provision will not be a cause for offhandedness or conflict.

In a related area, the amendment needed for this article should not require that the cabinet resign before an election because the election is supervised by an independent and neutral committee, namely the Higher Election Committee. The cabinet has no role in the election.

Article 79. The amendment focuses on adding a provision on the consequence of the president's nonpromulgation of a law when the constitutional period for the president to return the law to the house has expired or when a law has been returned to the house and passed again. The consequence should be that the law has been issued by the force of the constitution without the need for it to be promulgated. The law should be published in the Official Gazette immediately and should be enacted two weeks after its publication.

(Added) article. To eliminate any confusion regarding the permissibility or impermissibility of combining House of Representatives membership with other jobs, it is proposed that an amendment be made in this regard by adding an article that incorporates contents of the provision stipulated in the current general election law. The added article should read as follows:

Article...on...It is impermissible to combine House of Representatives membership with membership in a local council or with any public job. As an exception, it is permissible to combine House of Representatives membership with cabinet membership.

## Chapter 2

### Executive Authority

The executive authority consists of the presidency and the government. Because the president of the republic is the head of state and the top of the executive authority at the same time, this chapter will be divided into two branches: the first is the presidency of the republic and the second is the government.

### First Branch

#### Presidency of the Republic

Determining the shape of the presidency is one of the most important issues with which amendment must deal as part of the effort to organize the state authorities in a manner which ensures ideal stability that agrees with the givens of the age, that is compatible with the real situation, and that is in harmony with the human experience.

In accordance with the constitution, the presidency of the state is currently based on the principle of collective leadership, which is embodied in the Presidential Council. This principle, like others contained in the constitution, reflects the political, cultural, and social environment which was created and defined by the extraordinary factors and conditions of a partitioned Yemen under which the constitution was drafted. The principle of collective leadership or of partnership in the presidency of the state was one of the compromises made at the time to overcome those conditions. It was a compromise made from the perspective of serving the conflicting political and organizational positions and tendencies of the two previous regimes, not from the perspective of what is dictated by the national interest and what embodies unity of the Yemeni

people, thus making the presidency of the state harmonious with the people's unity and with democracy.

Now that the people's great historical dream of regaining their unity has been accomplished; in light of the important national and foreign transformations and changes that materialized since creation of the blessed Republic of Yemen, changes and transformations that are different in form and essence from the circumstances and conditions under which the constitution was drafted; and to strengthen the mainstays of unity and stability, the current form of presidency of the state must be reexamined and restructured so that the powers of the presidency, i.e., the "head of state," will be exercised by the president of the republic and so that the president will have a vice president. This means a change from collective leadership of the presidency of the republic, which is embodied in the Presidential Council, to another form that has prevailed in the world throughout history and in today's world, namely the form of president of the republic.

Organizing the presidency of the republic in the manner proposed above accomplishes numerous positives and eliminates all the faults and negatives associated with the collective leadership method. The most important justifications and considerations confirming and clarifying the soundness of adopting the proposed form of presidency can be summed up as follows:

1. It embodies the principle of national unity, represented in the president of the republic who symbolizes unity of the country, its sovereignty, and its independence. This is the system prevailing in today's world as a result of the human experience generally.
2. This form is compatible with the special characteristics of the Yemeni society which does not have a multiplicity of ethnic groups which, when they exist, are careful to be represented in a collective council.
3. As a general rule, management of the state by the collective leadership system is unsuccessful because it is engulfed in numerous negatives that weaken the movement of the country's higher political and economic leadership. The most significant of these negatives are:
  - A. The indifference and dependence that prevail in the collective leadership's exercise of jurisdiction and powers connected with the presidency of the state, the subsequent weakness at the control and execution level, and the negligence of numerous important issues.
  - B. The difference of visions and ideas for dealing with issues—a difference which reflects itself in the decisionmaking process.
  - C. Complexity of the collective leadership's work system and its negative impact on prompt decision making, especially on issues and subjects that cannot be delayed.

D. The multiplicity, confusion, and contradiction of directives issued by the collective leadership members, and the subsequent confusion they cause the administrative process.

E. A collective leadership's members often stay on the peripheries of a productive practical life and far from action in the central executive authority because of their equal status as collective leadership members and because they are tied down, at the same time, by regular meetings.

In light of the above, it is necessary to rephrase and reorganize articles of the second chapter that need to be amended in a manner compatible with the fundamental tendencies of the proposed amendments for the first branch of Chapter 2.

It is also normal that when the required amendment concerning the form of presidency of the state is passed, the phrase "presidential council" will be automatically replaced by the phrase "president of the republic" wherever it occurs in the constitution. In the article concerning the vice president, it should be stipulated that the provisions of Articles 85, 86, 88, 89, 90, 92, 93, and 101 will be applied in this regard.

Following are the articles required to be amended:

Article 82. It should be amended to read that the presidency of the republic, i.e., "chairmanship of the state, shall be exercised by the president of the republic, who is the head of state and who shall be elected in accordance with the constitution. The president shall have a vice president, shall select his vice president, and shall announce his name so he will be known before the general presidential election is held.

Article 83. It should be amended so that nomination of the candidates for president and vice president will be as follows:

1. The president of the republic shall be elected by the people in a competitive election.
2. Nominations shall be presented to the House of Representatives.
3. Nominations shall be examined by the House of Representatives speakership to make sure that candidates meet the constitutional prerequisites.
4. The names of candidates who meet the prerequisites shall be submitted to the House of Representatives for approval.
5. Any nominee gaining the approval of 10 percent of the House of Representatives shall be considered a candidate for presidency of the republic.
6. To ensure that the election is competitive, the House of Representatives shall be required to name at least two persons to run for the position of president of the

republic prior to presenting the candidates to the people for a competitive election.

7. The candidate gaining an absolute majority of the votes of those who take part in the election shall be the president of the republic. If no candidate gains such a majority, both nomination and election shall be repeated in accordance with the aforementioned procedures.

Article 84. It should be amended to state that the president of the republic shall work to underline the people's sovereignty, to respect the constitution and supremacy of the law, to protect national unity and the principles of the Yemeni revolution, to tend the peaceful rotation of power, and to establish the bounds for the various authorities so as to ensure that they perform their roles.

Article 85. It should be amended to state that every Yemeni who meets the established prerequisites is fit and entitled to run for election to the position of president of the republic. An amendment should be made to require that a candidate's [minimum] age must be 40 and that a candidate must not be married to a foreigner, must not marry a foreigner during his term, must be of upright conduct and character, and must observe the religious rites.

Article 87. It should be amended by adding to it a provision that limits the president and the vice president to just two five-year terms.

Article 91. It should be amended by adding to it a provision stating that the vice president shall replace the president for a period of no more than 60 days in case the president's position becomes vacant. New presidential elections should be held during the aforementioned period. In case the vice president's position becomes vacant, the president should select a vice president and submit his name to the House of Representatives for approval.

Article 98. It should be amended with a provision which states that the president and the vice president shall exercise the executive power on behalf of the people within the bounds stipulated by the constitution. The amendment is required to fill a noticeable deficiency in this regard and because the justification for the existing provision that concerns the form of the presidency will have ended, considering that it is proposed to amend this form.

Article 99. It should be amended to state that the president of the republic is the supreme commander of the armed forces. This amendment is required in order to fill a noticeable deficiency in this regard, considering that this command is underlined in the National Defense Council law and the military service law and that this provision is given in the various constitutional systems.

In addition to the articles in this chapter that need to be amended in the aforementioned manner, whether in content or form or whether by replacement, the public interest dictates that the following three articles be added to this chapter:

Article...The president shall be assisted in his duties by the vice president, and he may delegate some of his powers to the vice president.

Article...An advisory council comprised of experts and specialized capabilities shall be formed to expand the base of participation with opinion and to organize utilization of the accumulated national capabilities and expertise. The law shall determine the provisions concerning the council.

An article to prevent carrying out death sentences, unless approved by the president of the republic: The president of the republic shall be empowered (except in cases of religious punishment) to pardon or reduce the punishment. A general amnesty shall be by law only.

All constitutions agree to tie this provision, which requires the president's approval for the execution of a death sentence, to the head of state. The same thing applies to tying a general amnesty to the law.

## Second Branch

### The Government (Council of Ministers)

In the skeletal structure of state authorities, the government represents the second branch of the executive authority. This is its normal status. The provisions concerning the government are listed in Chapter 3 of the constitution. This gives the impression that the government is an authority that is far from the state presidency whereas most articles of the various chapters of the constitution contain explicit and specific provisions concerning the status of the government as a higher state executive and administrative authority. The president of the republic supervises the formation of this authority and its performance of its duties; controls its activities; and brings its members to account. This authority is also subject to the control of and accountable before the House of Representatives. According to the structure of state authorities that has just been presented, inclusion of the provisions pertaining to the government in a branch within the chapter on the executive authority will set matters right, will accomplish the required clarity in the structure of the constitutional institutions and will regulate relations between these institutions.

The above reflects the main tendency concerning classification and the indications emanating from classification. As for articles that are required to be amended within the framework of this branch, they are the following:

Article 103. The constitution is the law which defines fundamentally the powers of the Council of Ministers, the prime minister, and the ministers. Therefore, there is



no place for a special law to define these powers. However, there is nothing to prevent laws from stipulating that special tasks or powers may be assigned to the Council of Minister, the prime minister, or the ministers, depending on the nature of the issues with which each law deals separately and on what is dictated by the nature of the activity exercised by each minister. It is extremely difficult for one law to encompass the powers of the ministers that are scattered in various laws. But on the other hand, it is logical that the law should spell out the general rules for organizing cabinet ministries, the various state agencies, and public establishments and companies. But to define the powers of cabinet ministries and their outfits by law is extremely difficult. It is difficult practically and in terms of the sound concept of administrative reform and of what is dictated by the science of administration. This science requires reasonable flexibility in organization and modernization, which are tantamount to an ongoing and ever-renewed process that is governed by the general organizational principles determined by the law. Therefore, the required amendment dictates that the legislator be content with ensuring that the law defines the general principles of organization, including the criteria and controls that must be observed in organizing the cabinet ministries, establishments, and other administrative divisions. The law must also define the other legislative instruments with which this administrative division is accomplished.

Article 111. This article should be rephrased to ensure that the House of Representatives is empowered to refer the prime minister, his deputies, the ministers, or their deputies to interrogation and trial instead of being empowered to just recommend such referral and trial. The amendment should also make clear the natural sequence of the relevant procedures.

Article 113. It should be amended to empower the prime minister to ask the president of the republic to relieve a minister with whom the prime minister deems it impossible to cooperate. This would replace the provision stipulating that the prime minister merely refer the matter to the president to determine what he deems fit. Thus, discipline will be achieved at the cabinet level.

Article 114. It should be amended by adding to it that in case the House of Representatives withholds and withdraws confidence from the cabinet and in case a new general House of Representatives election is held, then the prime minister must submit his cabinet's resignation to the president of the republic.

Article...It is required to add an amendment to this branch to define the prerequisites a cabinet minister has to meet, the same as in the case of house members, bearing in mind that a cabinet member may not be less than 30 years old.

### Third Branch

#### Local Government Agencies

The main amendment tendencies in this connection—in addition to the new classification which will put this authority under the Third Branch instead of Chapter 4, thus making it harmonious with the aforementioned skeletal structure of the constitutional institutions—focus on adding some provisions to fill the deficiencies in some aspects and to expand the powers of local councils, considering that they are an indivisible part of the state authority. The amendment tendencies also focus on rearranging some paragraphs within the articles of this chapter as follows:

Article 117. It should be amended by adding to it a provision so the law will indicate how the heads of administrative units are selected and so it will state on what scientific principles and criteria administrative division is founded. Two paragraphs in this article should be transferred to Article 119.

Article 118. It should be amended to state clearly that governorate and district councils shall be elected in a general and free direct referendum. The amendment should also expand these councils' powers in the areas of public services, of proposing programs, plans, and budgets for the administrative unit, and of supervising and bringing to account local government agencies in accordance with the law. The amendment should also adopt decentralized administration as a basis for the local government system.

Article 119. It should be amended by adding to its beginning some provisions transferred from Article 119 because this would be the natural place for these provisions. The phrase "president of the republic" should be added next to the phrase "Council of Ministers" in connection with the accountability of governors.

Article...An amendment is required by adding an article to this branch on promoting and nurturing cooperative development bodies in the administrative units, considering that they are among the most important instruments of local development.

### Chapter 3

#### The Judiciary Authority

In harmony with the main amendment tendencies that seek to clarify the skeletal structure of the constitutional state institutions, amendment seems to be most urgently needed in the judiciary authority, whether in terms of classification or of the name under which the judiciary authority is listed. It is noticed that in the current classification of the constitution, the judiciary authority is not considered one of the state authorities included in Section 3. A subsequent section, i.e., Section 4, has been set aside for this authority. This classification gives the impression that this authority is just a service utility. The title of this section, namely, "The Judiciary and Public

Prosecution," creates confusion. Therefore, the normal thing is to classify the articles governing the judiciary authority under Section 3. In the new tendency, this section is entitled "Organization of the State Authorities." Chapter 3 of this section should be devoted to this authority and should be entitled "The Judiciary Authority." On the one hand, this title is compatible with the conventional well-known division of state authorities and, on the other hand, it eliminates the confusion created by the current title in connection with the judiciary authority's unity.

In addition to the aforementioned amendment concerning classification and title, the main amendment tendencies focus on achieving greater guarantees of independence for the judiciary and on eliminating the duality and overlapping connected with supervision over the judiciary, as well as the subsequent negatives emanating from this duality and overlapping. These guarantees are achieved as follows:

Article 120. It should be amended to stipulate that courts shall have the power to settle all disputes. It should also state explicitly that it is not permissible to grant judiciary powers to any authorities other than the courts, thus reinforcing the original provision in Article 121 which prohibits setting up special courts under any circumstances.

Article 123. It should be amended to strengthen the judiciary's independence by granting the Supreme Judiciary Council the power to study and pass the judiciary budget prior to its inclusion as one figure in the state's general budget.

Article 124. It should be amended in a manner that does not undermine the judiciary's unity by providing for the presence of a single supreme court in the republic. But this should not prevent the presence of specialized courts, including administrative courts which are specialized in settling administrative disputes and disciplinary court cases, in order to ensure the supremacy of the principle of legitimacy and to emphasize judiciary control over the administration's activities.

To safeguard this [control], the required amendment should include the Supreme Court's powers, adding to them the power to interpret laws and to try the president of the republic, the vice president, the prime minister and his deputies, and the ministers and their deputies.

The numbers used to enumerate paragraphs shall be replaced by letters of the alphabet so as to make them compatible with the various articles of the constitution. Paragraph 3 formerly C in the proposed amendment, on election disputations shall be amended to ensure that its objective is achieved and that duality of power over these disputations will be eliminated.

## Section 5

### Principles of Constitutional Amendment and General Rules

In light of the aforementioned proposal to amend the classification concerning the judiciary authority so that it will be covered by an independent chapter in Section 3—which governs the organization of state authorities—instead of being covered, as it is currently, by provisions in Section 4, future amendment will change this condition, turning Section 5 into Section 4 and Section 6 into Section 5. This is a part of the main amendment tendencies in the area of form.

Article 129. The main tendency of the principles of constitutional amendment focuses on providing greater protection for the constitution and for tying any future amendment of the constitution or of its provisions to the people. The amendment will add a provision that states that the issue of amendment of the constitution shall be presented to the people under all circumstances so as to get their approval of such amendment through a general popular referendum. Thus, no amendment will become valid unless it gains the approval of the majority of the citizens who take part in the referendum and who are included in the voter lists. This important addition has its roots in the need to refer to the people for amendment of the constitution which was approved by a popular referendum. Therefore, amendment should be made with the same legislative instrument with which the original constitution was approved, namely public referendum.

Article...It is required to include a transitional provision concerning the president of the republic and his vice president in this section to stipulate that when this amendment is passed by the House of Representatives, the president will be elected by the house just once after the approval. Candidates for the position of president should be nominated by one-fourth the house members.

A candidate who gains the majority of the house votes will be the president. This should be done because of the lack of time and out of consideration for the citizens who were summoned to vote in a general election only recently.

Article...an article should be added to state that an independent and impartial higher committee shall supervise and control general elections and referendums. It should also stipulate that the law will determine how this committee is formed and appointed, what its powers are, and what prerequisites have to be met by its members.

Article 130. It must be abolished because of the partitionist traces it reflects and because there is no need for it now that the transitional period has ended, considering all the laws that were passed during this period.

Article 131. It should be amended by adding the phrase "I will adhere to the Koran and to His apostle's sunna" at the beginning of the constitutional oath out of harmony with the people's Islamic faith.

## BANGLADESH

### Causes of Poor Economic Growth Examined

BK2812140693 Dhaka DAINIK INQILAB in Bengali  
22 Dec 93 p 1

[By Mobaidur Rahman]

[Text] The present government claims that it has achieved macroeconomic successes, but its impact is not discernible in the microeconomic sectors. The recent chart depicting the economic trends in different countries prepared by the World Bank and the Asian Development Bank indicates that no noteworthy progress has been made in the economy of Bangladesh. Rather, the situation has worsened in certain sectors.

It is unfortunate that the flow of foreign investment to this country is still very insignificant. Between 1986 and 1991, foreign investment worth \$1.338 billion were made in India and \$1.131 billion in Pakistan. In Sri Lanka, total foreign investment in this period totalled \$297 million. During this period, foreign investment worth only \$11 million dollars was made in Bangladesh. Other than clothing-related industries, no other industrial units were set up in the country during this five-year span. On the other hand, 3,000 plants were declared sick and subsequently closed.

The industrial growth rate in Bangladesh during the past few years has been estimated at 5 percent. In other poor countries of Asia, the rate was between 7 and 8 percent. In 1970 the contribution of investment to the Bangladeshi GDP was 11 percent, but in 1990 it went down to 10 percent.

The contribution of the manufacturing sector to the GDP is 20 percent in India, 24 percent in Thailand, and 16 percent in Pakistan. In Bangladesh it is only 9 percent. Apart from the poor industrial growth, losses in the industrial sector have become routine. In 1992, industrial units in the nationalized sector incurred losses amounting to 20 billion taka. The losses suffered by the industrial sector are partly responsible for the slow growth in direct foreign investment. This discourages foreign investors and impedes development. We are not only unable to attract overseas investors, but have also failed to protect the interests of foreign companies already operating in the country. Several foreign companies including Philips, Glaxo, Bangladesh Tobacco Company, ICI, and Dhaka Match Company have already concluded their business and left the country.

Business circles have expressed dissatisfaction over the privatization move initiated by the government. They say that since the time of the Ershad government, it has been said that the Telephone and Telegraph Board will be converted into a holding company. So far the government has failed to do so due to threats by the workers' union. During the past three years, the government has failed to privatize even one large industrial unit from the nationalized sector. About a year ago, the state minister

for textiles, Abdul Mannan, announced that 60 to 70 billion taka would be spent to set up about 1,000 industrial units in the textile sector. Nothing has been done so far. It has been learned that the government has not yet approved the proposal by the minister for the development of the textile sector.

The government says that foreign investors are discouraged by the frequent strike calls. Foreigners believe that the deteriorating law and order situation and a weak administration are particularly responsible for scaring investors away. A similar sentiment was also expressed by Mr. Milam, the former U.S. ambassador to Bangladesh. In this regard, several foreign missions in Dhaka have cited the recent murder of an eminent industrialist named Humayun Zahir. Campus violence and killing has become routine. The labor union leaders do not hesitate to hold the mill managers hostage to press their demands. These factors not only deter foreign investors from coming, but also discourage local entrepreneurs. Due to this, there has been no development in the microeconomic sectors.

## INDIA

### U.S. Uses Pakistan as Pawn in South Asia

94AS0087A Hyderabad DECCAN CHRONICLE  
in English 27 Nov 93 p 8

[Editorial: "Creating a Frankenstein"]

[Text] Having failed to read the signals properly when on November 9, 1993, Ms Barbara Bodine, acting coordinator for counter-terrorism, US, spoke to the National War College in Washington DC about the dastardly attacks of the Kurds in various cities, the criminal conspiracy to assassinate President Bush in Kuwait and terrorism in various parts of the world leaving out conveniently Pakistan without a mention, India has done well not to respond to the latest US gimmick of dropping the Pressler Amendment against Pakistan. It is nothing but a gimmick to draw India into a bilateral dialogue between the United States and Pakistan. By choosing to ignore the bait India has done well. Any response or resentment by India would have drawn the country into what is essentially a bilateral issue and equate its own position to that of Pakistan, that being the original bait, thus getting trapped into the dragnet of US strategic policy to work out a nuclear understanding in the South Asian region. India's reluctance to sign the Nuclear Non-Proliferation Treaty due to its discriminatory character has been a bugbear with US defence and strategic analysts. The US approach to the nuclear issue encapsulates two worlds, the have's and have nots—the distinction being made on the grounds of who exploded the nuclear bomb before 1967 and those who did so afterwards. Instead of protecting the weak and the have nots, the US policy discriminates against them and expects all their facilities to be placed under the International Atomic Energy Agency inspection regime; no self-respecting sovereign country could be expected to



toe this line willingly. What is most diabolical about the treaty is that though it expects the have nots to sign the treaty, the treaty *per se* does not contain any clause that extends help and protection to the suffering nation in the event of an attack by a nuclear power nation. Aware of India's growing economic and scientific clout, also aware of India's reluctance to sign the NPT, the United States is now using its cat's paw, Pakistan, to enmesh India in a regime which will satisfy its strategic needs.

From being on the brink of being labelled as a terrorist state to the dropping of the Pressler Amendment against it, Pakistan has proved to be a mere pawn in the strategic games that US plays in South Asia. The Pressler law proscribes military sales and economic aid to Pakistan till the US President certified that Pakistan was not making nuclear weapons. What new and objective evidence has the US pounced upon in the last six months that it is willing to drop the Pressler law against Pakistan? If anything, the evidence pointing to state sponsored terrorism by Pakistan is only mounting. More than 20,000 people have died in Punjab and the toll is around 7,000 in Kashmir till now, and the contribution of Pakistan to this death and gore is very critical. The bomb blast in the New York Trade Centre is child's play when compared to the mayhem created in Bombay this year. Again, it was Pakistan which had a lot to explain for such happenings. All these would not have happened but for the funding, safe haven, and logistical support provided to terrorists by Pakistan. While the US recognises the large pool of operatives from Afghanistan working in the Middle East and the former Soviet Union, it turns a Nelson's eye to the most compelling evidence as to Pakistan's nefarious activities in the Indian sub-continent. The US policy has, from time to time, proved to be quite thoughtless having created Frankenstein's wherever it operated. This was the case with the World Trade Centre conspiracy, this was the case with respect to Iraq and many more such examples can be given relating to UK, Germany and France. By choosing to play around with countries in the sub-continent, the US is again at its game of pitting one country against other, to garner valuable benefits for itself. The dropping of the Pressler law against Pakistan will lead to a fresh bout of arms purchase by both, Pakistan and India. This can only upset the economic reforms programmes being put in place by them and also put the peace process of the entire South Asian region in jeopardy. Should any such development occur, the responsibility will rest solely on the United States of America.

#### Correspondent Reports U.S. Arms for Pakistan

94AS0098A Madras THE HINDU in English  
3 Dec 93 p 9

[Article by C. Raja Mohan: "U.S. Arms for Pakistan Operations in Somalia"]

[Text] Washington, Dec. 2—The Clinton Administration is considering transfer of arms worth \$45 millions to Pakistan apparently to augment the operations of

Islamabad's forces in Somalia. The American military transfer, free of charge, to Pakistan, is part of a proposed \$106 millions of military assistance to the U.N. forces in Somalia.

Sources in the State Department are unwilling to reveal the details of the proposed transfer to Pakistan, but have told THE HINDU that the transfer is under active consideration of the Clinton Administration. State department sources insist that the arms are only for the use of Pakistani troops deployed in Somalia and they would not be entitled to take it back with them to Pakistan when they leave Somalia.

The sources are also reluctant to reveal the nature of the military package that is being proposed to be transferred to Pakistan. But they suggest that it consists of equipment that will facilitate the operations of the Pakistani contingent in Somalia. The equipment could include anything from a handful of advanced tanks to auxiliary equipment.

The American decision to transfer arms to Pakistan via the U.N. peace-keeping and peace-making operations is not entirely new. State Department sources say that the Clinton Administration transferred some armoured personnel carriers and transport equipment to Pakistani forces in Somalia last summer. But they are unwilling to comment on the exact value of that transfer.

The Clinton Administration's plans to provide arms to Pakistan through the U.N. peace-keeping route has angered the U.S. Congressional leadership. In a letter sent last week to the U.S. Secretary of State, Mr. Warren Christopher, a group of Senate Republicans, led by minority leader Bob Dole and Jesse Helms, have criticised the Administration's proposal to provide military assistance to the U.N. forces in Somalia.

The Senators said they were "deeply troubled" by the Administration's plans to transfer weapons to the Pakistani contingent in Somalia. The Republican Senators said such a transfer would circumvent the 1985 Pressler Amendment, which bars economic and military assistance to Pakistan because of its nuclear weapon programme.

But the Administration insists that such arms transfers to Pakistan do not violate the Pressler law. Since early 1992, when it presented a new interpretation of the Pressler Amendment, the State Department has been arguing that only direct government-to-government military sales are prescribed by the Pressler law.

They have suggested, in a clever but tortuous legal argument, that commercial sales of military equipment to Pakistan do not come under the ambit of the Pressler Amendment. The Congress in general and Senator Larry Pressler, in particular, have objected to this interpretation of the non-proliferation law; but the Administration has stuck to its guns.

Liberating itself from the constraints of American non-proliferation law, the U.S. Government has resumed the sale of military spare parts and other equipment to Pakistan since 1992. But the administration told the Congress, notwithstanding its new interpretation of the Pressler Amendment, that it will be cautious in considering arms transfers to Pakistan.

The U.S. Government says all such transfers will be on a case-by-case basis, and Washington will not let Pakistan enhance its military capabilities either through upgradation of the military equipment or an increase in its numbers. However, the Administration has often said that it will not allow a deterioration in Pakistan's military capabilities.

The military significance of the proposed American arms transfers to Pakistan is clearly limited. The political message emanating from Washington may be more important. That Washington is prepared to find any means—including the United Nations peace-keeping operations—to launder military equipment to Pakistan, signals a new political resolve in the Clinton Administration to revive the strategic relationship with Islamabad and reinvigorate its ties with the military in Pakistan.

#### **Pakistan Deployment on Border Protested**

94AS0086A Bombay *THE SUNDAY TIMES OF INDIA* in English 28 Nov 93 p 1

[Text] Amritsar, 27 Nov (TINS)—India has registered its protest against the recent move by Pakistan to deploy army personnel in the guise of Pakistan Rangers on the Indo-Pakistan border.

The protest was registered during the two-day biannual meeting of officials of the Border Security Force (BSF) and Pakistan Rangers, held here this week.

The army soldiers were reportedly deployed during the general elections in Pakistan, apparently to strengthen the vigil on the border. In the normal course, the armies of both the nations must remain about 5 km inside the border as the protection of the border is entrusted to the BSF in India and the Pakistan Rangers.

#### **Egyptian Foreign Minister Interviewed, Ties Discussed**

94AS0103A Bombay *THE TIMES OF INDIA* in English 2 Dec 93 p 13

[Interview with Mr Amr Moussa by Ramesh Chandran; place and date not given]

[Text] Cairo, December 1—For the past three months, Arab capitals like Cairo, Damascus, Amman, Beirut, Tunis and Rabat, as well as the Israeli cities, Tel Aviv and Jerusalem, have been enlivened by absorbing diplomatic activity to harness together a comprehensive and tangible peace agreement for West Asia. It is but natural

that amidst such a mosaic of complex diplomacy, some of the more resourceful and felicitous individuals manage to catch the eye.

In the recent past, amongst those who have managed to distinguish themselves in this diplomacy—at least in terms of sheer and strenuous volume of effort—have included Mr Philip Habib, Mr James Baker and Mr Warren Christopher. But an Arab diplomat who is lately attracting notable attention is Mr Amr Moussa, Egypt's multi-lingual foreign minister.

Like an Arab Henry Kissinger, Mr Amr Moussa has been indulging in recent months in an unflinching zealous and formidable schedule. This month alone took him to Washington, Jerusalem, Damascus and Amman, besides Mogadishu, Abu Dhabi and Bahrian. Egypt has often produced first-rate international civil servants as well as accomplished diplomats. Mr Amr Moussa is the third member sought after by the international media in an Egyptian troika that includes the U.N. secretary general, Dr Boutros-Boutros Ghali, an Egyptian capt, and Mr Ismat Abd Al-Maguid, the secretary general of the Arab League.

Although there may be differences in national debates in the interpretation of the precise ingredients of Egyptian national interest as well as the best way of securing them, there is broad concurrence that the independence, security and prosperity of the national community of Egyptians should take precedence over all else.

This relative unanimity about national identity and interests makes Egypt exceptional among the Arab states of West Asia. It has also given Egypt's presidents and foreign ministers considerable latitude in formulating foreign policy. This helps explain why the erstwhile President, Mr Anwar al-Sadat was able to sign the dramatic peace accord with Israel in 1979 as well as why the present president, Mr Hosni Mubarak, has been able to abide by the terms of that treaty. These features could also explain the sure-footed diplomatic moves Egypt made to oppose the Iraqi invasion of Kuwait and to rally Arab members to participate in an international coalition against Iraq to which Egypt dispatched 30,000 troops.

It is the same *savoir faire* and confidence that Egypt often displays in international mediation today. Be it in Somalia where Mr Amr Moussa has proposed to the Organisation of African Unity [OAU]—of which Egypt is the chairman—that Africa ought to develop a diplomatic mechanism for crisis management in the continent or seeking international troops in Burundi, which Egypt regards as a fellow Nile country. This week's focus in Cairo was however on Libya where an adamant Muammar Gaddafi is squaring up to the Clinton administration over the release of the two Lockerbie bombing suspects. Egyptian diplomats have been working up a back-breaking schedule to try to prevent the sweeping U.N. sanctions against Tripoli.

Having undertaken another leg of his diplomatic shuttle, on his return, Mr Amr Moussa's schedule included setting-up secret talks in the Egyptian Sinai enclave of Taba between Palestinian and Israeli negotiators. Fifty-seven-year-old Mr Amr Moussa is a product of the faculty of law of Cairo University and has held a variety of diplomatic assignments including the post of director of the international organisations department and Egypt's permanent representative to the United Nations. He had a highly successful and visible stint in New Delhi from 1983 as Egypt's ambassador.

Smoking his customary cigar, the foreign minister spoke to THE TIMES OF INDIA at his new and sumptuously furnished foreign ministry office in downtown Cairo. Moments after the interview concluded the minister remarked that he had to make a "dash for the airport" to receive King Hussein of Jordan. Mr Nagui El-Ghatrifi, the articulate spokesman of the foreign ministry, was present during the interview. Selected excerpts:

*After the peace accord was signed between the Palestine Liberation Organisation (PLO) and Israel, there was a momentary lull. Now there seems to be a fresh impetus to the peace negotiations with Egypt playing a central role. Are you optimistic that we might see a new breakthrough?*

Yes, indeed, I am optimistic. Things are going in the right direction. I don't think they (Israel) will retract on the agenda that has been agreed upon between the PLO and themselves. Generally negotiations are promising on both the bilateral and the multilateral tracks. This of course does not mean there will be no difficulties, obstacles or no risks here or there. But overall in the region, it seems to be a one-way traffic towards peace. I hope that developments will prove me right. The Palestinian-Israeli track has already crossed the point-of-no-return and the negotiations on Gaza and Jericho are also progressing in the right direction. And let me say that the Israeli-Syrian track is also not a lost one.

*Is it then reasonably accurate to state that if the Syrian-Israeli talks on the Golan Heights cause extreme dilemma, then the Jordanian and Lebanese tracks are less complex?*

Yes, I would agree. The Jordanian track has already produced all the drafts necessary for establishing the framework for an agreement. The Lebanon negotiations are even more clear as it is a matter of Israeli withdrawal. Even the former Likud government had declared that Israel had no territorial ambitions in Lebanon. I am positive that if we can really work out a good, working, acceptable way of negotiations then the results can be achieved.

*Watching the bloody events in Gaza, the initial unenthusiastic response from Hamas and the opposition from hardline elements to the peace accord signed by Mr Arafat, has this scenario for peace been too upbeat?*

This opposition is exaggerated. The Gaza hardliners have a point of view and it is their right to accept the

peace accords or to oppose them. However, they have promised not to use force or enter into an armed conflict with their brethren or to create havoc with the security situation. This, I find, is quite satisfactory. Unless of course the arrangements that have been agreed upon do not work out. That then is another matter.

*One finds West Asia commentators looking ahead to the next decade painting all sorts of hopeful, rosy scenarios, thriving Israeli-Arab economic partnership, portraying even Gaza as a flourishing commercial entrepot. Your comment?*

All these factors that you are referring to are possible... It can happen. But much will depend on the developments during the next two years. So let us wait and see. I prefer to withhold my expression of optimism on this issue.

*Let's turn to bilateral relations. The high point was during the times of Nehru and Nasser. People still recall both leaders when referring to Indo-Egyptian ties. Since then, there has been a downtrend in this partnership...*

There has been a kind of downtrend. But not a malafide downtrend. It resulted from force of circumstances... from different priorities. This area has seen difficult times. It has been prone to conflicts and wars and Egypt has been involved in all this and India, which had its own priorities in South Asia, was not in the frontline in West Asia. The Cold War and its aftermath has also had its repercussions on the totality of the situation in the third world, in non-aligned meet forums.

The 1967 war was another turning point which in turn affected its ties with India and the 1973 war set the relations on a different level. Then of course there was Camp David. As of now, the prospects for better relations are very good. We believe that India plays a major role in her region in the same way we do in this area.

India's leading position in the third world is recognised by Egypt. It is even urged by Egypt. There is no competition between us, only complementarity. The strong bonds which you referred to during the days of Nehru and Nasser were but an expression, or a manifestation of those deep-rooted relations, although I don't put the good-relations era as having begun at the times of Nehru and Nasser. I would say they began much earlier.

I am one of those who has advocated the necessity of having excellent relations between India and Egypt. Not that we wouldn't differ on this or that point but the basic premise of our relations should be more cooperation and interaction.

*Some people in Delhi still recall your successful tenure as ambassador. They say forget about worn-out rhetoric about non-alignment and concentrate instead on enhancing trade and commercial relations between our two countries...*

Yes, yes indeed. We should focus on economic ties. In fact we hope to discuss precisely these issues when we meet in Delhi for the G-15 summit. And we should set



the concrete agenda for more meetings, more dialogue. As for your reference to my ambassadorship in Delhi, I am very much upset that you say that there are only "some" in Delhi who recall my tenure. I would have thought "many" would remember me. (Laughs)

*Regarding regional tensions in South Asia and specifically on the Indo-Pak dispute over Kashmir, where do you stand?*

We would very much like to bring this conflict to a close. You will appreciate that I cannot publicly—it would be very unwise of me if I did—discuss details on this issue. The Kashmir dispute is a very old conflict. However, Pakistan has succeeded in putting the problem back on the international agenda. So many more are talking and discussing Kashmir. Once this has been achieved, sitting together and attempting to solve it is the best way. Because Pakistan will live with India and India will live with Pakistan forever. Remember we are sorting out some of our ancient and great problems in the Middle East...

*Are you suggesting that India and Pakistan should follow the example set by old enemies, the PLO and Israel, and talk frankly across the table?*

You are talking. But talks should be fruitful. They should have a point and talks should not be setup for the sake of talking...

*In India as well as in Egypt there is serious concern about religious extremism and the violence it evokes. Are you coming to grips with curbing fundamentalism?*

Well, as far as India and Egypt, there is some commonality of events as far as religious extremism is concerned; it is also a global phenomena. However, each country has its own peculiarities as far [as] this is concerned and has to devise individual ways of tackling them...

*But in your attempts to devise ways of tackling them, you have invited some fiery criticism from human rights groups concerning Egypt's human rights' record.*

No, no. This is a sweeping formula. We cannot simply throw our countries open to non-governmental organisations (NGOs) with different motives and agendas. And you can never tell what exactly they are doing or even who exactly is doing this. And mind you, not all those people who work in NGOs are deep thinkers; perhaps many are activists. We need to respect the basic principles of sovereignty of our rights, the basic tenets of human rights and the principles of fundamental freedoms. But we simply cannot submit ourselves to double standards.

*What double standards?*

Well, in Bosnia-Herzegovina when "ethnic cleansing" was being practised, we did not see such fervour from the very same non-governmental organisations. So let us adapt one yardstick for all. I have argued these points

publicly at the Vienna commission on human rights and said, that we either have one yardstick for all or let's simply forget about this.

*Looking at the role of the United Nations and its somewhat activist role, I was recently on a reporting mission in Baghdad. There the impact of U.N. sanctions has squarely hit the man-on-the-street whilst hardly affecting the regime in power. Now we hear that sanctions against Libya are to be enhanced. Is this an effective method of diplomacy?*

First of all you should not put yourself in a position where sanctions have to be applied against you. Second, one needs to assess the international situation with caution. This of course does not mean we do not sympathise with the plight of our brothers in Iraq and Libya. We definitely do. Our work was to strike a balance between our obligations and international legitimacy which in a broader context is what the U.N. does too.

*The situation as regards Libya is beginning to look dismal. Can diplomacy persuade their leader to give up the Lockerbie suspects?*

This is what we are striving to achieve. For now, one can only be hopeful.

#### Day of Solidarity With Palestine Observed

94AS0104A Hyderabad DECCAN CHRONICLE  
in English 1 Dec 93 p 10

[Text] New Delhi, Nov. 30 (UNI)—India will continue to extend moral, material and technical assistance to the Palestinians to help them consolidate their progress towards self-government, the Prime Minister, Mr P.V. Narasimha Rao, and the External Affairs Minister, Mr Dinesh Singh, said here on Tuesday.

India also offered to train para-medical staff from Gaza and Jericho town, which had been granted self-rule by Israel and provide scholarships and seats to Palestinian students in its universities and colleges.

The Prime Minister in his message here on the occasion of the observance of the international day of solidarity with the Palestinian people, said "we hope that all involved in the middle-east peace process will seize the opportunity of the peace accord for the advancement of the cause of peace and for just comprehensive settlement, which restores to the people their legitimate rights." Speaking at a function here, Mr Dinesh Singh said India will offer goods worth \$1 million to the Gaza-Jericho self-government authority.

A team of experts will be deputed to these areas to conduct feasibility studies for setting up a common facilities centre to impart training in small and medium scale industries and thereby generate employment.

Mr Dinesh Singh said the world must face the challenge of terrorism unitedly.

It is the need of the hour to denounce all forms of destabilising terrorism wherever it exists, "including cross-border encouragement and subversive activities from neighbouring countries." He said the signing of the declaration of principles on interim self-government arrangements was a notable first step towards ensuring peace and stability in West Asia.

India will lend its good offices whenever required towards confidence building measures in the area, he added.

"We hope that these steps would lead to further positive developments aimed at achieving the legitimate rights of the Palestinian people."

#### **Yugoslavia Supports Delhi Stance on Kashmir**

94AS0089A Madras THE HINDU in English  
28 Nov 93 p 6

[Text] New Delhi, 27 Nov—Though primarily an attempt to canvass support for lifting international sanctions against Yugoslavia, the forthcoming two-day visit to India of the Yugoslav Foreign Minister, Mr. Vladislav Jovanovic, extends beyond this fixed agenda. This was indicated here by the Yugoslav *Charge d' Affaires*, Ms Milena Vlahovic.

Speaking to this correspondent on the eve of the Foreign Minister's visit (he arrives here on Sunday, Ms Vlahovic said the purpose was to inform the Indian leadership "about the situation in the Balkans, propose possible solutions as well as explore the possibilities of future interaction, including cultural exchanges."

Itself a victim of ethnic infighting, Yugoslavia is expected to back India on the Kashmir issue. Ms Vlahovic said Yugoslavia "completely and unconditionally supports the stand that Kashmir is an integral part of India."

However, the emphasis on the sanctions issue is indicated in the Foreign Minister's itinerary. Apart from calling on the President, the Prime Minister and holding discussions with his counterpart, the External Affairs Minister, parleys between Mr. Jovanovic and the Commerce Minister are also slated.

Mr. Jovanovic's visit coincides with the European Foreign Ministers proposing a wideranging settlement on the Yugoslav question.

Covering Croatia as well as Bosnia Herzegovina, this plan urges Serbs to offer land to the Bosnian Muslims more than what they conceded in the talks which broke down last summer. In return, an easing of sanctions on Serbia and Montenegro is being promised.

In addition, aiming to provide relief to the affected population, European negotiators want safe passage for U.N. relief convoys. Wanting to create another link to central Bosnia, the Europeans hope to send technicians to reopen the airport at Tuzla.

Urging the removal of sanctions, the Yugoslav *Charge d' Affaires* said their negative impact was felt in the Balkans. Referring to the geographic centrality of the country, she said the sanctions had also been detrimental to Greece, Romania and Hungary.

#### **Minister Who Criticized Rao on Polls Dismissed**

94AS0099A Madras THE HINDU in English  
2 Dec 93 p 1

[Text] New Delhi, Dec. 1—Mr. P.R. Kumaramangalam, Union Minister of State for Science and Technology as well as Parliamentary Affairs, has been "ejected" from the Cabinet by the Prime Minister, Mr. Narasimha Rao, on the eve of the winter session of Parliament, commencing tomorrow, apparently for criticising him (Mr. Rao) for the party's poll debacle in Uttar Pradesh.

The formalities in this respect have not been completed, as the President, Dr. Shankar Dayal Sharma, is away. But the acceptance of the resignation forwarded by the Prime Minister is a mere technicality.

The President is expected back tomorrow. The recommendation to drop Mr. Kumaramangalam from office has been sent to him.

The Minister himself was not available for comment, but sources close to him said that he had not written to the Prime Minister offering to quit. This tended to confirm the report that the Minister's resignation had been sought by Mr. Rao.

Mr. Kumaramangalam is the third Minister from Tamil Nadu to go out of the Union Council of Ministers, the earlier two being Mr. K. Ramamurthy and Mr. P. Chidambaram. Interestingly, Mr. Kumaramangalam had offered to quit the Government when the Cauvery water issue heated up between his State and Karnataka.

Clearly, Mr. Kumaramangalam's stinging letter to Mr. Rao on the party's election debacle in U.P. and Delhi, in which the Prime Minister was criticised for his handling of the party affairs, and the virtual dismissal of the entire Congress Working Committee (CWC) sought, has cost him his job.

Mr. Rao moved against the Minister on the eve of a meeting of the CWC which is likely to go into the kind of issues highlighted by Mr. Kumaramangalam. It is to be seen if this has a sobering effect at the CWC.

Mr. Kumaramangalam, in his letter, had also said that he would be obliged to take "further steps" if his suggestion for the resignation of the entire CWC was not accepted. This was widely interpreted as an offer of resignation. Subsequently, however, the Minister clarified that his was not a case of revolt, and that he was not criticising the Government, but the conduct of party affairs.

During his tenure under the leadership of Mr. Rao, the outgoing Minister was engaged in some important Government activity, including the attempted resolution of the Ayodhya crisis before the demolition of the disputed structure.

However, sources said that Mr. Kumaramangalam had developed differences with the thrust of the Government's economic policies and had lately been voicing his concern in official quarters.

#### **ASIANET Interview With Foreign Secretary Reported**

94AS0102A Bombay *THE TIMES OF INDIA*  
in English 2 Dec 93 p 1

[Text] New Delhi, Dec. 1—In a significant observation, the foreign secretary, Mr J.N. Dixit, has said India was willing to discuss with Pakistan some compromise to resolve the Kashmir issue, reports UNI.

Making the comment in an interview with "Asianet" satellite channel, the foreign secretary said that during his talks with his Pakistani counterpart, Mr Shaharyar Khan, in January next year, he would have a "limited brief, that is to emphasize to my colleagues in Pakistan that we are willing to reason with them to find some compromise to this difficult problem."

Mr Dixit said unilateral and "absolute claims cannot be the basis for solving this problem."

"We have to take into account the developments of over 40 years on both sides of the line of control, in seeing where we should go," he added.

The foreign secretary noted that "previously we were saying that we will not discuss Kashmir at all unless interference and support to terrorism was stopped."

"We have now been told that they (Pakistan) are willing to discuss this aspect. If that is so, we can take the next step for dealing with Kashmir directly."

Referring to the Clinton administration's decision to withdraw the Pressler amendment, Mr Dixit said that Washington was pursuing a policy of non-discrimination and pressure to push countries towards non-proliferation.

The first step would be to withdraw the Pressler amendment and then introduce legislation, which will apply to all countries about whom they have doubts.

He said that in the last 18-19 years "We have constantly taken a decision not to make N-weapons."

The foreign secretary expressed views on a number of topics including India's relations with China, the U.S. and other issues.

On India's relations with China, Mr Dixit said both sides have an equal level of reasonableness in interacting with each other.

He said then Prime Minister, Mr Rajiv Gandhi's visit to China was a landmark. The Prime Minister, Mr. P.V. Narasimha Rao's visit in September laid firm foundations, which culminated in the signing of an agreement to maintain peace and tranquility on the line of actual control.

The foreign secretary said China is not only a regional power, but a global power. He said India should not also underestimate the capacity of three continental states—Kazakhstan, Russia and Japan.

#### **Seshan Praised for Streamlining Election Accounting**

94AS0096C Madras *DINAMANI* in Tamil  
20 Dec 93 p 4

[Editorial: "The Dominance of Contributions in Elections"]

[Text] It is indeed a mighty big problem to regulate the election expenses of the candidates and political parties. The Chief Election Commissioner T.N. Seshan has again embarked upon a good mission to focus attention on the issue. Due to serious drawbacks in the election laws, it has not been possible to strictly monitor the election expenses. Among all the various aspects of the election law, the rules and regulations concerning election expenses have become ridiculous aspects.

It is estimated that a major party, on national level spends up to Rs. 1,000 crores (10 billion rupees) on each election. How does it get this huge amount? The elections create an illicit relationship of ties between politicians and leaders of industries. This is the cause of black money (unaccounted or hidden) growing into millions of rupees, according to the intelligence experts. So far no serious effort was undertaken to put an end to this most unpleasant chapter in the history of Indian democracy.

In order to rectify these drawbacks, suitable amendments to the law have to be made. Without waiting for the parliament to do this, Seshan has begun to make use of the existing provisions of the law to take effective action. He has decided to revise the forms intended to get the data regarding election expenses; Candidates should give not merely expenses incurred by them, but also paid by others, meaning their parties, or other individuals or organizations. It is also essential that the candidates should solemnly swear and declare that they do not hide anything and no expense was omitted. Of course, those who cheat and deceive may still invent ways to escape from strict measures. Yet there is nothing wrong in making these regulations as rigid and strict as possible.

It is of course, true, that the dominance of money power in elections cannot be eradicated by the action of the Chief Election Commissioner. It will be possible only if political parties and the government give their full cooperation in the matter. Politicians should not hesitate in giving the election commission the authority to audit the



expense accounts of the political parties. In the absence of such an arrangement, candidates will show only a fraction of their real expenditure. This is because politicians have been practicing the art of cheating for so long a time that they have made a mockery of the election rules regarding the excessive election spending.

#### **Politician's Analysis Claims Victory of Common Man**

94AS0096D Madras DINAMANI in Tamil  
17 Dec 93 p 4

[Analysis by Panrutti Ramachandran, Tamil Nadu MLA (Member of Legislative Assembly): "Election-Epilogue: The Victory of the Common Man"]

[Text] The world had expected that the elections in four states in North India would usher in an important turning point. The Bharatiya Janata Party [BJP] has been playing up Hindu religious fundamentalism, spreading hatred against Muslims and labelling theirs as the true nationalism, was said to be poised for a great victory in these elections.

But only in Delhi and Rajasthan did the BJP come into power with a narrow majority. But in the states of Himachal Pradesh, Madhya Pradesh and Uttar Pradesh, the party was driven out of power.

Now the BJP says, 'what if we are out of power? We have secured a larger percentage of the votes. But they forget that it was the same electoral system that elevated them to the seat of power. The argument seems like a drowning man clinging on to a straw.

The BJP aroused emotions among the people but did not respect truth at all. Emotions may flare up suddenly and also disappear all of a sudden. It was by arousing religious sentiments that they came into power so suddenly and in the same way lost it too.

It has been an accepted fact all over the world that everybody is an equal to one another and that every person is entitled to equal opportunity. The BJP failed to respect the truth and proceeded to emphasize differences and neglected to concentrate on vitally basic issues like poverty, joblessness, soaring prices of essential goods and this, in fact, brought about the downfall of the party.

Janata Dal stands for social justice. This party had made sacrifices for that cause. Mulayam Singh Yadav when he was Chief Minister of Uttar Pradesh, mobilized the people to put up a stiff fight against the BJP. He was ridiculed by the BJP which called Maulana Mulayam Singh Yadav. As a result of these factors the people of the state believed that the best alternative to the BJP is Yadav's coalition and they elected his party to govern the state. It is not enough to feel there is an injustice. But one should stand up and fight against it and for this cause undertake any kind of sacrifice. Only such kind of people could command respect—this is the lesson learned from these elections in Uttar Pradesh.

The Congress Party's victories in Madhya Pradesh and Himachal Pradesh are the result of the dissatisfaction among the voters against the BJP ministries there.

The election results in these four states have shown, to put it in a nutshell, that the true victory belongs not to any party, but to the common man.

The Bharatiya Janata Party with its stand on Ayodhya issue demolished the Babri Masjid and carried on a vigorous campaign of hatred and the common man in Uttar Pradesh, searching for an alternative leader, found the right person in Mulayam Singh Yadav.

The BJP regimes in Himachal Pradesh, Madhya Pradesh and Rajasthan failed to solve the day-to-day problems of the common folks and the common man decided to teach a lesson to the BJP. If only the Congress had waged a vigorous campaign against the BJP, it could have won more seats.

So far as the Janata Dal was concerned, it was a party coming out with good ideas. But it did not grow to be a party that could be an alternative to form a ministry. The common man also realized if he supported the Dal, votes against the BJP would be scattered away. This factor was not realized by the Janata Dal. Hence it met with defeat.

These election results convey loud and clear one message: Whether a ruling party or a party that aspires to get into power, in order to secure a majority of seats, the party should instead of promoting politics of hatred, work hard in finding solutions to the people's problems and improving their standard of living.

The very fact that these election results demonstrated to the world at large that an Indian citizen is superior to their political leaders, is a significant turning point in itself, is it not?

#### **Muslim, Backward Caste's Anger Caused Congress' Defeat**

94AS0097B Bombay NAVBHARAT TIMES in Hindi  
22 Dec 93 p 3

[Unattributed article: "The Anger of Muslims and Backward People Caused Congress' Defeat"]

[Text] Bombay, 21 December (N.P.)—One of the main causes of the Congress defeat in the Bombay Municipal Corporation bye-elections in six wards was the anger of Muslim and backward classes against the Congress Party. There was a significant increase in the votes for the Janata Dal. It will not be easy for the Congress (I) to form another government or win the 1995 general election. It is very likely that Shiv Sena will take over the Bombay Corporation again.

It appears that the Muslim voters have not forgotten the destruction of the Babri Masjid in Ayodhya on 6 December 1992 and the destructive riots that followed it. That is why they did not vote for the Congress (I) candidates. Almost 100 percent Muslim votes went to

the Janata Dal candidates. If we compared the results of the general elections held two years ago with these bye-elections, we will find that the votes for the Janata Dal have almost doubled. In Dharawi, the Janata Dal candidate received 3388 votes. Similarly, in Tulsiwadi and Nayagaon, they received more than 1400 votes compared to the 800 votes received last year.

The backward classes also did not give all of its votes to the Congress (I) because of the change in nomenclature. They did not only not vote for the Congress, but did not give full support even to Savita Jitla (Tardevi), a Dalit candidate representing coalition of the Congress and Republican Party of India. The number of the Dalits in that district was more than half.

The Shiv Sena leaders are overjoyed at this victory and the Congress (I) leaders have started to accuse each other. The unhappy group of Congress councilors is ready to come out in the open against Ramanand Lad, the leader in the Corporation. Veteran city councilor R.T. Kadam is leading this group of young councilors. He himself is also in the race for becoming the mayor. Mr. Lad has lost some prestige because of the defeats of Congress candidates, especially in Dharavi. Ramanand Lad (the future mayor) was given the responsibility of making sure that the Congress (I) candidate from here wins.

It will be difficult for the Congress (I) to have its candidate as the mayor. The Shiv Sena has increased its number of seats from 67 to 71 after winning four more seats. The number of Congress members is 109 now. The number of the joint opposition has increased to 110. These numbers clearly indicate that there will be a lot of bartering during the next mayoral elections in March 1994.

Looking at the committed supporters of Shiv Sena, and the Muslim and Dalit voters who are unhappy with the Congress (I), it is clear that the Shiv Sena might win the majority in the next election. The Muslims knew that voting for the Janata Dal was indirectly voting for the Shiv Sena. Still, they did not vote for the Congress (I). Mr. Gunwant Seth, a Congress worker who visited homes for votes during the election, said that the Muslim voters expressed distrust in the Congress (I) in these words, "We can give the key to our house to Shiv Sena people, not to the Congress (I).

The Congress (I) leaders are blaming these reasons, bogus votes, lack of committed workers, and the fact that the major leaders did not take this election seriously for their defeat.

#### **Congress-I Panel Discusses Uttar Pradesh Polls**

94AS0101A Madras *THE HINDU* in English  
2 Dec 93 p 9

[Text] New Delhi, Dec. 1—In what could be termed as the most soul-searching exercise since Mr. Narasimha Rao came to power in June 1991, a meeting of the

Congress(I) Working Committee here tonight devoted the bulk of its time to discussing the party's debacle in Uttar Pradesh and what needed to be done to make good the loss of the traditional base among the backward sections of society including the minorities.

The Committee meeting to deliberate on the election results in the five States of the Northern belt and the future implications of the verdict for the party appears to have been dominated by the Union Welfare Minister, Mr. Sitaram Kesri, who has been highly critical in the last four days of the leadership for its failure to capitalise on the fertile ground for the Congress(I) in the Hindi heartland.

To continue: The party spokesman, Mr. V.N. Gadgil, who briefed correspondents on the deliberations of the Committee meeting, said only six members of the CWC got an opportunity to express their views on the just concluded elections and the Committee would continue with the introspection session tomorrow. Mr. Kesri, who was the first speaker at the meeting, was expected to continue with his speech tomorrow as he had to leave mid-way to attend an official function.

Among those who took part in the two and half hour meeting were Mr. R.K. Dhawan, Mr. A.K. Antony, Mr. Sitaram Kesri, Mr. N.D. Tiwary, Mr. K. Karunakaran and Mr. Pranab Mukherjee. Presided over by the party president, Mr. P.V. Narasimha Rao, the meeting was attended by all the members barring four who were busy either in Shimla or Jaipur in managing the post-poll situation in these States. Those absent at the meeting included Mr. Rajesh Pilot, Mr. Balam Jakhar and Mr. Nawal Kishore Sharma.

In response to questions, Mr. Gadgil said two members of the Committee disapproved of the letter of the Union Minister for Parliamentary Affairs, Mr. P.R. Kumaramangalam, seeking the resignation of all members of the CWC for their collective failure in managing the U.P. Assembly election. Asked about the reported resignation of Mr. Kumaramangalam, Mr. Gadgil expressed surprise over the development and said he was not aware of any such resignation.

Supports Rao: In his presentation before the CWC, Mr. R.K. Dhawan is reported to have argued in favour of Mr. Narasimha Rao and maintained that the defeat of the BJP was a historic achievement for the party. He referred to 'deliberate attempts' by vested interests to project that the Congress(I) was nowhere in the picture and said the rank and file in the party had proved beyond doubt that the party was strong and the people were behind it.

Mr. Kesri in his speech is reported to have complained that the party did not succeed in projecting the achievements of the Government for the welfare of the backward classes, particularly its decision to implement the Mandal Commission report. He pleaded that Committee members take note of the changed social reality, particularly in U.P., and emphasised the need to create a more

pro-backward and minorities image. A strong plea for greater representation of BCs and minorities in the party power structures was also made.

The controversial issue of distribution of tickets among the kith and kin of the big guns in the party in Rajasthan and the consequent damage to the prospects of the party in the State also figured in the course of the deliberations. However, no names were mentioned in this connection.

It was mentioned that the success in Madhya Pradesh was partly due to the distribution of party tickets to 80-odd members of backward classes. The Committee was told that the minorities in other States opted for the Congress only because they had no choice unlike as in U.P. A suggestion was made for strengthening the Seva Dal as a volunteer force to match the RSS.

**Research wing:** There was a suggestion for the creation of a research wing to analyse the election results particularly in Uttar Pradesh. It was mentioned that of the 28 seats, won by the party in the State, 20 had been captured after a gap of several years. It was also said that in Madhya Pradesh, there was consistency in the performance of the party in the 1991 Lok Sabha and the current Assembly elections and a point was made whether there was any model which could be replicated from the M.P. example.

A member of the Committee suggested that a three-day extended session of the CWC meeting be called after the coming session of Parliament for a detailed review of the election results. The CWC would consider the suggestion tomorrow.

The ongoing session of the CWC is certain to overshadow the scheduled customary meeting of the Congress(I) Parliamentary Party coinciding with the winter session of Parliament tomorrow.

#### **Mulayam Singh Urged To Be Democratic, Accomodating**

94AS0097D Bombay NAVBHARAT TIMES in Hindi  
23 Dec 93 p 4

[Commentary by Mastram Kapur: "Will Mulayam Work to Fulfill Peoples' Expectations?"]

[Text] Generally the whole nation has welcomed the SP-BSP [Samajwadi- Bahujan Samaj Party] government in Uttar Pradesh. Except for some fundamentalist elements who are badly shaken by this total change in the low castes after centuries, everyone should be happy. In a society divided by stratification, the confrontation does not take place between those sitting on the top rung with those on the bottom rung. The confrontation usually happens between those sitting on adjoining rungs—first with second, second with third, and third with the fourth. There had been some confrontations between the backward classes and the scheduled castes. A cooperation between these groups heralds major changes, and

these changes can convert a ladder-like system to a flat social system. The BSP-SP coalition can be a strong platform for the claim that the BSP leader Kanshi Ram has made about changing the vertical system to a horizontal system.

The skepticism expressed by some people about the stability of this coalition keeping in mind the traditional confrontation is not unjustified, but is pessimistic. The optimistic view point would be that history has taken a turn, and this change could be the beginning of a major historic transformation.

These Vidhan Sabha elections, which can be called mini general elections, have given some clear signals which, if read correctly, can indicate the path of the future of our politics. The first important signal is that the 1990 division of the Janata Dal was unreal and unnecessary, and the unity of various Janata Dal factions, under whatever name, is the need of the time. The Janata Dal in Bihar and Orissa, the Samajwadi Party in Uttar Pradesh, the Samajwadi Janata Dal in Haryana, and other smaller parties in other states all represent the socialist movement and the desires of the farmers and laborers. This movement is inspired by the desire to change centuries-old unfair social system into an equitable system. Because of their personal ambitions and the conspiracies of the opposing forces, they were divided even when they agreed as it happened during the 1967-70, 1977-79, and 1989-91 periods. The anti-national communal forces that ignore the Constitution were able to gain power because of this internal strife. The Congress (I) had been able to rule at will because of the weakness of this movement, and this made our nation's situation very precarious. Therefore, keeping in mind out nation's interests, these divided groups must unite.

The second point made by this election was that politics of such useless issues as temple-mosque cannot always work. They must raise the issues that the people confront daily. The people are being squeezed by high prices and are tormented by the corruption spread throughout government offices. They are suffering from lack of electricity, water, health, and other amenities and from unemployment. All constitutional institutions are corroding. All services for the people (mail, transportation, distribution of services, health, education, and police) are now very unstable. The people will turn away from a political party that ignores these issues and tries to kick around unnecessary issues to take advantage of them.

Another signal issued by this mini general election is that the politics of those who make up parties in thin air will not be successful now. The tragedy of the Janata Dal has been that it had good leaders but they could never unite. No political party can function effectively without first organizing itself at grassroots levels of district, county, and state. In addition, the structure of the party will not be strong without the support of such sub-groups as youth, women, labor-student organizations, and organization of creative camps for the training of the party



workers. The Janata Dal became weak because of the appointment of party officials through nomination, search for candidates and workers at the time of the general elections, and last minute efforts to find money for election expenses. Every party members understands this problem and we do not need to provide any proof of it. Opposed to it, the secret of Mulayam Singh's Samajwadi Party's success is that he worked hard for two years. He visited every part of the state, organized camps for training his workers (in the five-day camp in Mussoorie, about 1,000 boys and girls had participated), and maintained contact with all the workers. He has to focus on building a good structure of the party for a lasting success.

The main reason the eyes of the whole nation will be focused on Uttar Pradesh is to see how the Mulayam Singh-Kanshi Ram government operates. Will it follow the old system, or will it be innovative? The people will have this question in their minds because the style of change agents is different from the status quo type of parties. The SP-BSP coalition has already expressed its commitment to change. The change should not be immediate and superficial; it should be long-term and fundamental. The attitude of the Congress (I) and the BJP governments is to disrupt the status quo minimally, because change is dangerous to their existence. We saw that during the anti-Mandal campaign. However, the status quo can be dangerous to parties that herald change. These parties will self-destruct if their tendency for change is fake, have the goal just to somehow stay in power, and avoid breaking up the old died traditions. That is what happened to the Mulayam Singh government at the Center in 1990-91. It spent the nine months of its duration wondering whether it should carry out the Mandal Commission recommendations, and whether it should make a solid political decision over the Babri Masjid-Ram Janambhumi issue. It formed committees after committees, and questions were postponed. In the end, this policy of procrastination drowned it.

The positive aspect of the SP-BSP government is that the issues such as temple and Mandal that incite people are dormant now. The Supreme Court has given its decision on the Mandal issue and it will be implemented easily. The temple issue is also in the Supreme Court and the BJP will continue its efforts to keep this issue alive. However, this issue can be dealt with logically without any problem. In the Mandal application, following the Karpuri Thakur formula would be useful because this formula proved to help unite the backward castes in Bihar.

The main criterion for Mulayam Singh-Kanshi Ram government's success will be how diligently is it able to carry out the developmental plans in Uttar Pradesh that have been neglected for years. They do not have to depend on the Center for reformation in such areas as supply of electricity and water, roads and transportation system, health and education, and efficiency of government offices. However, the people will feel relieved if actual work is done in these areas. The people of this

country are simple like Lord Shiva who was happy with the flowers of dhatura (intoxicating plant). Their needs are very few and their worldly desires are not unlimited like the societies that are slaves of the consumer culture. Still, these people yearn hopelessly for these small comforts and minor reliefs. This shows that this nation never had a government of the people. It will be the responsibility of the SP-BSP government to make the people feel that it is the government of the people.

However, the most important responsibility for Mulayam Singh and Kanshi Ram will be to remove the bitterness felt by various groups in the society against each other and creation of an environment of acceptance and good will. This bitterness is a natural outcome of the efforts to break up the caste system. All this had started when the Constitution was written and implemented. This process has been going on slowly and invisibly since the Constitution promised equal political, social, and economic rights to every citizen, and gave them the assurance of freedom, equality, and brotherhood. These changes have finally begun to emerge in concrete form. The society conditioned to living in one way for centuries is naturally to feel the pains that come with change. This process can be made comfortable if the political leaders form a policy of sympathy and cooperation.

Similar bitterness was felt here when the small kingdoms were phased out and the landlord system was ended. We passed that phase easily thanks to the hard work of our dedicated leaders. We need the same understanding and empathy during the period when the caste system is being broken. Uttar Pradesh is the most sensitive state from this perspective, and they must be especially cautious here. The SP-BSP government has to be careful here. We are happy to learn that the cabinet that Mulayam Singh's has announced shows representation from all caste groups. What flaws there are, can be removed later. This government must refrain from the showing favors and taking revenge. For the first time in history, scheduled castes and backward groups have formed a government. It is natural for the higher castes to have all kinds of misgivings. To remove these suspicions, the SP-BSP government must debut the new politics of impartiality, hard work, tolerance and widespread collaboration.

#### **JPC Investigative Scam Report Praised, Action Sought**

94AS0097C Bombay NAVBHARAT TIMES in Hindi  
23 Dec 93 p 4

[Editorial: "Time for Action"]

[Text] The most important and the main implication of the report presented by the joint parliamentary committee investigating the century's greatest financial scam is that our finance ministry is criminally negligent in following its procedures and that the accused persons must not be let go. The committee found Finance

Minister Manmohan Singh, Health Minister B. Shankaranand, and Village Development Minister of State Rameshwar Thakur guilty. It has also put Satya Prakash Maulaviya, minister of petroleum in former Prime Minister Chandra Shekhar's cabinet, and the ministries of railways, civil aviation, petroleum, and fertilizers in the line of the accused. It appears that the whole structure of our economic system is rotten. Manmohan Singh was declared to be responsible for the horrible negligence by his ministry, banks, and financial institutions. Rameshwar Thakur is blamed for holding a circular letter written against Harshad Mehta for about one month and not taking any action on it when he was the minister of state for finance. What vested interests had forced then-Petroleum Minister B. Shankaranand to ridicule the rules of the Petroleum Industries Development Board and invest money in Canfina Bank and Syndicate Bank? Former Civil Aviation Minister Madho Rao Scindia is also accused of dragging his feet in investigating the Vayudut officials who had invested money without following procedures.

The committee found that our economic system had started to corrode in 1982. One hand did not know what the other was doing. There was looting every where, and the vested interests were taking advantage of it all by ignoring all laws and procedures. The vested interests had found loopholes in the economic policies formed after 1982, and the administrations of Indira Gandhi, Rajiv Gandhi, V.P. Singh, Chandra Shekhar, and P.V. Narasimha Rao all stood in "one posture in the bath house." Narasimha Rao was unfortunately accused of taking 10 million rupees in bribes in the Pratibhuti scam. This sent the message to every corner of the nation that if our major leaders are taking bribes and making money by spurious means, then why should not [the common people] also make money. A similar message was sent by the Bofors scandal. Anyhow, the joint committee has cleared the prime minister of the accusation of receiving 10 million rupees bribe. However, it has recommended investigation of Gold Star Company with the prime minister's son, Prabhakar Rao, is associated. Former minister Chidambaram can also be involved in this investigation because he was also associated with Gold Star. It is obvious that Manmohan Singh, Shankaranand, and Rameshwar Thakur have been put on trial, and if they are even minimally ethical, they should either admit to their wrongdoing or offer believable refutation.

Just below the line of the cabinet members, the parliamentary committee has lined up S. Venktaraman, governor of the Reserve Bank, and two deputy governors, Amitabh Ghosh and Janaki Raman with their heads bowed and hands joined in prayer. The fact is that if our Reserve Bank and the finance ministry had been alert, no one would have dared to break the laws and loot money. We do not know what special attraction was there for them to ignore established interest rates in the public sector and invest money in absurd places? And we do not know which one was sucking out billions of rupees each minute. The committee has given detailed

information on how this scam was pulled, and who were the people who had their eyes closed to it when all this was happening. However, this report is silent about who benefitted from this scam and who were the real villains of this drama. Yes, they have identified four foreign banks and have recommended canceling their licenses. We should not, however, do things hastily. The present atmosphere in the nation and the image that our country has abroad can be hurt by any extreme action. What is necessary is that we keep a close eye on all banks, and not just these banks.

The whole system was rotten, and one or two sharp people were influencing the investigation. It is proved by the mention of the CBI and other agencies in the report. These agencies, despite enough evidence against Harshad Mehta and others, did not register any case, and if they did start a case, the speed of investigation was kept very slow. There was no cooperation among these investigation agencies. Not only this, the personnel from these agencies who were invited by the joint committee, did not give full information. The committee has asked that cases be registered against the nationalized bank officials who were involved in the Pratibhuti scam. The recommendation made to investigate Gold Star Company and some public sector institutions should be followed up diligently so that the trust of the people is not broken. The report has also condemned provision of shares from the promotor quota to 531 government and banks officials. The tradition of bribing government employees needs to be curbed.

Members of all political parties were included in the joint parliamentary commission, therefore, we should accept this report to be above all bias and have full debate on it in the House even if the session has to be extended by two or three days. The committee has presented the report after 16 months of very hard work and Ram Niwas Mirdha has included the letter which were not unanimous in this report, therefore, we have to believe that the committee has done a historical job by rising above prejudices. This work should be given proper respect and the guilty persons should be punished without delay. At the same time, we must make sure that no one damages our financial system again and embarrassing incidents like the Pratibhuti scams are not repeated. The country waited for a long time for the joint parliamentary committee's report. Now we wait for action on it.

#### **Tamil Nadu: Reservation Situation Viewed**

94AS0097A *Bombay NAVBHARAT TIMES in Hindi*  
20 Dec 93 p 8

[Article: "69 Percent Reservation Recommended in Tamil Nadu"]

[Text] Madras, 19 December (NBT)—The issue of providing 69 percent reservation for the backward groups in government offices and educational institutions is becoming very complicated.

A meeting of the Tamil Nadu vidhan sabha members has been called for 30 December 1993 to discuss continuation of the present legislation. However, K. Ramamurthy, the state Congress Committee president, has expressed doubt over the government's intentions while referring to the Constitution's article 31 (B) or 31 (C).

It is not clear yet which of these articles does the state government want to implement when continuing the present reservation system. It should be remembered that the Supreme Court had decided on the Mandal Commission that reservations cannot exceed 50 percent in any case. The state government is forced to go through this constitutional exercise because of this decision.

Chief Minister Jayalalitha had called a meeting of all the political parties on 26 November and had discussed following the Supreme Court's decision. At the same time, they supported keeping the state's 69 percent reservation quota.

As the result of this all, the government is using these two articles as an alternative, and has obtained the president's approval so that the Centre does not block the effort to make the present reservation system constitutional.

### Further Reportage on Rajiv Assassination Trial

#### Prima Facie Case

94AS0100A Madras THE HINDU in English  
25 Nov 93 p 4

[Text] Madras, Nov. 24—The designated court conducting trial in the Rajiv Gandhi assassination case today dismissed the discharge petitions of all the 26 accused in the case and held that *prima facie* case has been made out against them.

Passing orders today after the five-month-long pre-trial proceedings about the involvement of the LTTE and the 26 accused in the assassination, the judge, Mr. S.M. Siddickk, said that after going through the materials submitted by the Special Investigation (SIT) he was satisfied that sufficient grounds existed to proceed against the accused. The court also framed charges against the accused.

All the accused, barring Murugan and three others, heard the charges with rapt attention as the Bench clerk read the charges against each of the accused. While all of them pleaded not guilty, Shanti, wife of another accused, Jayakumar, said she did not follow the charges against her. When the clerk repeated the charges she also pleaded not guilty and said there was no connection between the assassination and her. "I am being kept in the prison without any justification," she told the judge.

The 250-odd charges framed by the court broadly confirmed to the charges listed by the prosecution in the chargesheet.

In the 62-page order Mr. Siddickk held that "under the law, charges can be framed even on 'strong suspicion' and here in this case there is 'overwhelming material of very determinative character clearly indicating the offence complained against the accused.'"

**Applicability of TADA:** The judge, while framing charges, also answered all the legal questions that figured in the lengthy arguments between the prosecution and the defence lawyers. They included applicability of the TADA to the case, validity of confessional statements, splitting of the case between those arrested and absconding, the CBI's legal standing in investigating the case and appointment of the Jain Commission.

The framing of the charges by the court might not immediately lead to the commencement of the trial as the defence lawyer, Mr. S. Doraisamy, informed the reporters at the court that he would soon go on appeal to the Madras High Court. He said that though the TADA stipulated that only the Supreme Court was authorised to take up appeals, he would request the Madras High Court to invoke special powers to take up the case. The trial might resume only after the disposal of the appeals by the High Court.

In his orders, Mr. Siddickk dismissed the defence arguments that the TADA was not applicable to the case as the offences alleged to have been committed were only against the individuals for personal reasons and not against the Government.

**'Common intention':** He also dismissed as factually and legally unsustainable, Mr. Doraisamy's argument that there was no evidence to suggest that key accused, Nalini, and others had any knowledge of the conspiracy or at any point of time they had agreed to participate in the conspiracy. "Common intention" was a rule of evidence and the charge under that Section could always be framed if the fact and circumstances warrant that, he said.

On Mr. Doraisamy's argument that the LTTE's intelligence chief, Pottu Amman, and women's wing leader, Akhila, were non-existing members, and therefore, there could not be any conspiracy between the accused and non-existing persons, the judge said that it was "frivolous and unwarranted" in view of the materials placed before the court along with the charge sheet and it did not merit any consideration.

The judge also dismissed the defence plea that the alleged conspiracy by the LTTE was only to assassinate Rajiv Gandhi and there was no conspiracy to kill other persons. If anyone had died it was only incidental or accidental and not in pursuance of the conspiracy, the defence argued. Sixteen persons, including Rajiv Gandhi, died in the Sriperumbudur blast on May 21, 1991. Seventeen persons received grievous injuries and 27 simple injuries.

On defence counsel's argument that the CBI had no *locus standi* to investigate the assassination case as the Centre



did not notify in the G.O. that CBI could take up TADA cases, when the Act came into force in 1987, the judge said the Madras High Court already dismissed this argument in 1992 and held that the CBI was empowered to investigate cases under the TADA.

Therefore, it was futile to conclude that the CBI had no statutory power to investigate the Rajiv Gandhi case.

**Jain panel findings 'not binding':** The court held that the observations and findings of the Jain Commission are not binding on the trial court proceedings.

Mr. S.M. Siddick, said, "The Jain Commission could not do what the regular criminal court was already doing or might do in due course."—PTI

### Charges Read Out

94AS0100B Madras *THE HINDU* in English  
2 Dec 93 p 4

[Text] Madras, Dec. 1—The designated court trying the Rajiv Gandhi assassination case today held an exclusive sitting to read out the charges framed against five of the accused including Murugan alias Sriharan, one of the key accused and husband of the first accused, Nalini, and three others who have been boycotting the court proceedings.

When the court met this morning, three of the accused—Shanthan, Ravichandran and Suseendran—who had been boycotting the proceedings, were present along with Irumborai who could not come to the court during the last sitting on Nov. 25.

Murugan did not turn up at first but appeared after a break in the proceedings. The charges were read out to him when he was alone in the court.

**He covers his face:** Throughout the 30-minute exclusive proceedings, Murugan who had been boycotting the proceedings saying that he did not believe that he would get a fair trial, neither responded to the court staff's query nor accepted the charges against him. He hung his head and covered his face with one hand even as the court staff after reading out each of the charges repeatedly asked him whether he accepted them.

Murugan, who did not engage a lawyer for himself, however, received a copy of the court order framing charges against all the 26 accused after signing the acknowledgement.

The bearded Murugan, who usually dressed neatly, was clad in a lungi and shirt when he came to the court. He left the court immediately after the staff announced that the proceedings were adjourned to Dec. 9.

Though he did not stand up when the court staff called his name, a normal practice followed by all the other accused to hear the charges, Murugan stood up as a mark of respect when the presiding officer, Mr. S.M. Siddickk, entered the court and retired back to his chamber.

Earlier, after the charges were read out against the four accused, the judge retired to his chamber even as the prison authorities tried to bring Murugan to the court.

After a 30-minute break, Murugan, accompanied by senior prison personnel including the Additional Superintendent of Police, came to the court. Following this, the judge came to the court again after which the court staff read out the charges framed against Murugan.

Though the accused remained silent when the court staff asked whether he pleaded guilty, it will be recorded by the judge that the accused did not plead guilty as per Section 228 of the Code of the Criminal Procedure.

Murugan has been charged under Section 14 of the Foreigners Act, Section 6 (1-a) of the Wireless and Telegraphy Act, besides the common charges framed against all accused under Section 120 9B Indian Penal Code (punishment for conspiracy) and various Sections of the IPC and provisions of the TADA Act.

The other four accused replied in the negative when they were asked whether they pleaded guilty. They were engaged in a conversation for most of the time when the charges against them were read out.

**Why the 'reluctance':** Murugan was reluctant to come to the court as he did not like to reply in one word to the court's query whether he pleaded guilty or not to the charges, Mr. V. Elangovan, defence lawyer, who met the accused this morning to persuade him to attend the court, said.

The accused was also advised by another defence lawyer, Mr. T. Ramadoss, who was said to have told him that it was not fair to boycott the proceedings after having appeared in the court once and argued his case.

**Stage set for trial:** With this, the process of reading out the charges to all the 26 accused was completed. The stage is now set for starting the regular trial and examination of witnesses. The judge did not fix any date for the trial, but official sources said it was likely to begin during the second or third week of Jan.

Barring Mr. Doraisamy, counsel for 13 accused including Nalini, none of the other defence lawyers is planning to appeal against the trial court order framing charges against the accused.

With the pre-trial proceedings coming to an end, further proceedings including cross examination of witnesses would be held in-camera.

The two National news agencies, United News of India and Press Trust of India were allowed to cover the pre-trial proceedings under Section 226 (prosecution presenting its case) 227 (defence reply to the case) and 228 (framing of charges) of the code of criminal procedure.

**No more press coverage?:** Though the recent amendment to the TADA Act gives the discretionary power to the

designated court judge to conduct the trial in open or in-camera, it is unlikely that the press would be allowed to cover further proceedings in the case.

The prosecution was very particular and cautious in not disclosing the identity of the witnesses and the details of their deposition in the interest of both the accused and the case, sources said.

### **Center Develops New Communications Technology**

94AS0106A Madras *THE HINDU* in English  
2 Dec 93 p 6

[Text] New Delhi, Dec. 1—The Centre for Development of Telematics (C-DoT) has achieved a milestone by developing VSAT (very small aperture terminals), a two-way satellite earth station for providing connectivity without the encumbrance of telephone wires.

With the release of this technology, India will have an indigenous capability for supporting transmission systems for voice and data communications to supplement telecom networks.

The VSAT technology is being released to indigenous manufacturers who are already producing C-DoT products.

Significantly, the C-DoT's breakthrough has come at a time when the Department of Telecommunications (DoT) is about to forego its monopoly on running VSAT services. The service, so far called the remote area business messaging network (RABMN), has aimed at providing data communication facility to subscribers scattered throughout the country by using satellite in VSATs provided at the subscribers' premises. In addition to Hughes Network Systems, three other private sector operators have been shortlisted. This is expected to bring about a boom in sale of VSAT dishes.

The C-DoT-developed VSAT operate in the C-band frequency of satellites for data and voice communication at 64 kilo bit per second (kbps). The shortlisted private sector operators have been asked to operate on extended C-band frequency of the INSAT-2A satellite.

To begin with, the Department of Science and Technology is going to use VSAT for linking various nodes in their network to transmit weather data to the central supercomputer installed in Delhi for inward and outward transmission to various centres.

### **Air Chief Stresses Need for Strengthened Military**

94AS0085A Bombay *THE TIMES OF INDIA*  
in English 29 Nov 93 p 7

[Text] New Delhi, 28 Nov (TINS)—The chief of air staff, Air Chief Marshal S.K. Kaul, has emphasised that China posed a primary strategic challenge to India in the long term, notwithstanding the recently-signed LAC [expansion not given] agreement.

Stressing the need to develop a sound strategy to meet this "formidable challenge," the air chief observed that China had emerged as the most powerful military nation which with its high rate of economic growth and sustained military programme had drastically altered the military balance in Asia.

"India is thus placed with two contrasting security dilemmas. On the one hand, the probability of an armed conflict with China has been reduced in the short term, but in the long term, by 2005, the threat (from China) will be of a different magnitude altogether," he said.

Delivering his valedictory address at the end of the two-day seminar on "Challenges to India's national interest in 1995-2010 and Indian response" organised by the United Services Institute, Air Chief Marshal Kaul reflected on the double standards of the U.S. foreign policy, the collapse of the Soviet Union, the unabated low-cost proxy war by Pakistan, the grim internal security situation and the poor quality of the Indian polity. He pointed out how all these factors had a dangerous bearing on India's future national security interests.

The air chief strongly advocated India's need for enhancing its conventional military capabilities, while simultaneously initiating confidence-building measures with countries in the neighbourhood to ensure regional stability.

Reflecting on recent American efforts to revoke the Pressler amendment on Pakistan, the air chief warned that the fall-out in this eventuality would add to the security complications. "Therefore, as an overall threat perspective, I visualise Pakistan as a potent threat in the short term and China as a potential strategic challenge in the long term", he said.

Criticising Pakistan for continuing to exercise the low-cost option of instigating militancy and separatism in Kashmir and Punjab, he observed that since partition Pakistan had been following a single track foreign policy of forcing Kashmir's secession from India.

"The prospect of stability and tension-free relations with Pakistan is not in sight. Since Independence, Pakistan has tasted democracy for only a few years and hence, its political framework still remain fragile. Besides, pressures from the military junta and Islamic fundamentalists mixed with a strong perception of its own insecurity has crystalised into adoption of a nuclear weapons programme and a foreign policy inimical to our interests," he said.

Accusing the U.S. of hijacking the United Nations, Air Chief Marshal Kaul said that after the Gulf war, the U.N. was being used by the U.S. more as an extension to serve its foreign policy interests. India has been subjected to pressures such as NPT, MTCR, GATT, NAFTA and Super 301, and pointed to the recent trend of "coercive diplomacy in the garb of human rights issues" with a frequent temptation by the west to wield the human rights stick to settle foreign policy issues.

Pointing to contradictions in this policy, the air chief said: "The U.S., the so-called champions of human rights, has admonished China for human rights abuses but still continues to finalise business deals and extend military co-operation to China," he said. He regretted that in recent times India's capabilities in international fora has been somewhat eroded due to lack of diplomatic support from Russia which is evident from its policy on cryogenic engines, NPT and even Kashmir.

Stressing the need to set the Indian polity in order, the air chief said India needed to be politically cohesive and internally strong. Founders of the constitution had evidently presupposed that our polity would be educated and have basic civic sensibilities. "However, our political system has not been able to meet the aspirations of our people. Today, we see more sectarian, partisan and motivated behaviour with dangers of communalism and fundamentalism causing tremendous strains on the chosen secular fabric of our country," he said.

#### Scientist Discusses Plans for Space Exploration

94AS0088A Hyderabad DECCAN CHRONICLE  
in English 26 Nov 93 p 10

[Unattributed article: "Indian Mission to Mercury Likely by 2000"]

[Text] Bangalore, 25 Nov (UNI)—India could conceive an interplanetary mission to Mercury, by the turn of the century, using the Geosynchronous Launch Vehicle (GSLV).

Delivering the presidential address at the physical sciences section of the 63rd annual session of the National Academy of Sciences here on Wednesday, Dr K. Kasturirangan, Director of the Indian Space Research Organisation (ISRO) satellite centre here, said studies exploring the possibility of such a mission carried out by ISRO were quite encouraging and the mission appeared feasible.

The study was carried out in the wake of the recent advances made in the realisation of a geosynchronous launch capability.

He, however, said a time schedule for such a mission had not been fixed as yet.

Dr Kasturirangan said the GSLV could be used for a mission to launch a spacecraft to Mercury, either as a fly-by or as an orbiter to the planet using the gravity-assist trajectories of the planetary probe due to Venus and Mercury itself.

He said ISRO has also framed the objectives and profile of an Indian planetary mission to Venus and Mercury.

The GSLV would launch the spacecraft first into a 300 km orbit and later boosted to a heliocentric orbit. The spacecraft would be designed to provide three axis stabilisation using the sun for pitch and yaw control and a star as a roll reference.

*In situ* particle detectors, plasma probes and magnetometer onboard the orbiter could provide vital information on solar wind and associated phenomena.

A fly-by mission of Venus and Mercury would provide some opportunity to have a short glimpse of these planets. The mercury orbiter could carry a number of instruments for imaging the surface and for remote measurements of the surface parameters and environment of the planet.

Dr Kasturirangan said the instruments in such an orbiter could include ultra violet spectrometer for determining elemental composition of rare and other gases and throw light on the sodium enigma of Mercury, plasma analyser to measure solar wind particles in the transitional atmosphere of the planet, imaging with television cameras at a high resolution of 50 to 100 metres in different visible and infrared bands, gamma ray, x-ray and infrared spectroscopy to study the composition of the surface material of the planet.

He said India could also go in for a multi-wavelength space observatory that could be launched by the Polar Satellite Launch Vehicle (PSLV) to a low earth inclined orbit. A space astronomy mission capitalising on simultaneous multiple wavelength observations of celestial "flash" transient phenomena.

#### IRAN

##### New Check Law Detailed

94LA0054A Tehran ABRAR in Persian 8 Dec 93 p 8

[Text]

##### Note:

Considering that the law is not retroactive, and because the law concerns the future, and noting that this law is to be implemented from today, 17/09/1372 [8 December 1993], in order to facilitate referring to the law governing the case, while amending the number of articles and replacing the amended articles, the previous articles and related unified processes are provided at the bottom of the page in order to eliminate the need to refer to various volumes. It is hoped that this small service will be useful.

##### Legal Council of ABRAR

##### Article 1

Article 1. Various types of checks are:

- 1) A normal check is a check issued by an individual on a personal bank account, and the holder has no guarantee other than the credit of the person who has issued it.
- 2) A verified check is a check issued by an individual on a personal current account in the bank, and the bank verifies the payment of the funds.



- 3) A certified check is a check that the bank issues upon the request of a customer, and its payment is guaranteed by the bank.
- 4) A traveler's check is a check that is issued by a bank and is payable by the branches of that bank or an agency of that bank.

Article 2. Checks issued on banks that have been or will be established in Iran in accordance with Iranian laws and also their branches abroad are considered obligatory documents, and if the holder of the check goes to the bank and does not receive the total or a part of the funds due to lack of funds or for any other reason that causes the check to be returned and not paid, he can collect the total amount or the remainder from the issuer in accordance with the laws and regulations concerning the implementation of official documents.

For the issuance of an indictment, the holder of the check must submit the original check and certificate cited in Article 3 or certificate cited in Article 4 to the local Document Records Executive Office.

The Documents Records Executive Office shall issue an order for implementation if the signature on the check and that of the issuer are verified to be the same by the bank.

The holder of the check includes the person to whom the check has been issued, the person in whose name the check has been endorsed, and the person holding the check (in regards to the checks issued to cash) or their legal representative.

Article 3. The issuer of the check must on the day of issue have the equivalent funds in the bank (in cash or usable credit) and must not remove all or any portion of the funds for which he has issued a check in some way from the bank or instruct the check not to be paid. Also, he must not issue the check in such a way that the bank refuses to honor it due to the signature not matching, crossed out items on the check, or a discrepancy in the contents of the check, and the like.

If a condition is made for the payment of the check, the bank shall disregard such a condition.

Article 4. Whenever the funds for a check are not paid, for any reason cited in Article 2, the bank is responsible to state clearly on a special form on which the specific information concerning the check and the identity and full address of the issuer is mentioned the reason for not paying, to sign and seal it, and to give it to the holder of the check.

That sheet must contain the verified signature of the issuer with the sample of the existing signature in the bank (within the normal banking limitations).

The bank shall be responsible for informing the issuer of the check by immediately sending the second copy of this sheet to the last address of the owner of that account that exists in the bank.

That sheet must contain the first and last name and the full address of the holder of the check.

Article 5. If the funds in the account of the issuer of the check in the bank are less than the amount of the check, upon the request of the holder of the check, the bank is obliged to pay the available amount in the account to the holder of the check, and the holder of the check, by writing the amount received on the back of the check and submitting it to the bank, shall receive a certificate including the specifications of the check and the paid amount from the bank. The above-mentioned check will be considered insufficient funds for the amount that has not been paid, and the bank certificate in this case shall be for the holder of the check a substitute for the original check.

In regards to this article also, the bank is obliged to send the announcement stated in the previous article to the owner of the account.

Article 6. Banks are obliged to print the first and last name of the owner of the account on every check.

Article 7. Anyone who commits a violation stated in Article 3 shall be sentenced to prison from six months to two years and, according to the case, the payment of a cash fine equivalent to one-fourth of the insufficient funds at the time that the check was submitted to the bank.

Article 8. Checks that in Iran are issued on banks abroad and result in affidavits of insufficient funds shall be in penal terms subject to the regulations of this law.

Article 9. If the issuer of the check pays the amount of the check in cash before the date of complaint to the holder, or upon the agreement of the private complainant an arrangement is made for its payment or he makes arrangements in the bank for it to be paid, he cannot be prosecuted.

In the latter case, the above-mentioned bank is obliged to block up to the amount of the check in the account of the issuer and pay it to the holder of the check as soon as he comes in and submits the check.

Article 10. Anyone who issues a check with the knowledge that his account is closed, shall be regarded as having issued a bad check and shall be sentenced to the maximum punishment stated in Article 7, and the set punishment shall not be postponed.

Article 11. Offenses stated in this law cannot be prosecuted without the complaint of the holder of the check, and if the holder of the check does not go to the bank within six months after the date on which the check has been issued to collect the funds from the bank or does not make a complaint within six months after the issuance of the certificate of insufficient funds, he shall no longer have the right to a legal complaint.

What is meant by the holder of the check in this article is the person who submits the check for the first time to the

bank. To determine who has for the first time gone to the bank to collect the funds for the check, banks are obliged to write the full and precise identity of the holder with the date on the back of the check as soon as he goes to the bank.

A person to whom the check is transferred after it has returned from the bank shall not have the right to a legal complaint unless the transfer was obligatory.<sup>1</sup>

If the holder of the check wants to collect the check through another person as his representative and preserve the right to a legal complaint, and if there are insufficient funds, he must write his name and address and explain that the person is his representative on the back of the check. In this case, the bank shall issue the announcement in Articles 3 and 4 in the name of the owner of the check, and his right to a legal complaint shall be preserved.

Note. Whenever after a legal complaint the complainant transfers the check to another person or transfers his rights to the check in another manner, legal prosecution shall cease.

Article 12. Whenever, prior to the issuance of the final ruling, the plaintiff withdraws his complaint or the accused person pays the amount of the check and late payment in cash to the holder of the check or arranges for the payment of the check and above-mentioned damages (12 percent annually from the date that the check is submitted to the bank) or deposits it in the Justice Department Fund or Records Executive Office, the investigative authority shall issue instructions to stop the prosecution.

The issuance of the stopping of prosecution in the penal court shall not prevent the court from examining and issuing a ruling regarding other damages demanded.

Whenever, after the issuance of the final ruling, the complainant withdraws his complaint or the convicted person in the above-mentioned ways pays the funds for the check, late payment damages, and other damages stated in the ruling, the implementation of the ruling shall stop and the convicted person will only be obliged to pay an amount equivalent to one-third of the cash fine stated in the ruling, which shall be collected for the government upon the order of the prosecutor.

Article 13. Issuance of a check as guaranteed, or providing funds for conditional, dated, or blank with a signature are prohibited. If the other party makes a complaint and the funds are not paid, the issuer shall be sentenced to a jail term of six months to two years in addition to a cash fine of 100,000 rials[Rls] to Rls10 million.

Article 14. The issuer of the check or his legal representative, by stating explicitly that the check has been lost, stolen or forged or obtained through deception or violation of trust or other such crime, can instruct the bank in writing not to pay the funds designated in the check.

After verifying the identity of the person making the request, the bank shall refuse to pay the funds, and if the check is presented to the bank, it shall issue and submit a certificate of nonpayment with the reason stated on it.

The holder of the check may make a complaint against the person who has issued instructions for nonpayment, and if the claim that has resulted in nonpayment is proven, in addition to the punishment stated in Article 7 of this law, he shall be condemned to pay all the damages to the holder of the check.

Note 1. The interested party in this article is the person in whose name the check is issued or endorsed or to whom the check has been transferred (or to whom the check made out to cash has been transferred).

In a case when the interested party instructs nonpayment, the bank is obliged to keep the amount of the check in a blocked account until the examining authority has made a decision or the person who has requested it changes his mind.

Note 2. The person issuing the instructions is obliged to submit his complaint to the judicial authorities after announcing it to the bank and submitting a certificate of his complaint to the bank within a maximum period of one week, otherwise, after the period has ended, the bank shall pay the funds for the check upon the request of the holder from the available funds.

Article 15. The holder of the check can demand the amount of the check and his losses in the penal court that examines the case.

Article 16. Examination of all penal and legal complaints and disputes concerning checks in the Prosecutor's Office and the court, up to the completion of adjudication, shall be immediate and shall take precedence over other cases.

Article 17. The existence of a check in the hands of the issuer is proof that its funds have been paid and the complainant has withdrawn his complaint, unless the contrary is proven.

Article 18. If the funds for the check are not provided in the bank, the examining authority is obliged to obtain from the accused a cash bond or bank security (which is valid until the final decision). If the issuers of the check are more than one person, the prosecuting authority may divide the amount of the bond or bank security in ratio to the responsibility of each, and if that is not clear, equally among all of them.

If one of the accused has paid the equivalent of the total amount of the check in bonds or bank security, appropriate security will be obtained from the other accused persons.

In the instances stated in Article 14 also, according to the case, if the funds for the check are not provided in the bank, as long as no justifiable evidence and proof of the



claim of the issuer of the check or the beneficiary is available, the examining authority shall collect the above-mentioned security.

Also, if the accused requests time to pay the funds for the check, the examining authority may, if he finds it appropriate, grant him up to one month by receiving another appropriate security.

In this case, if the accused does not pay the funds for the check within the set period, the above-mentioned security will be converted to bonds.

Note. If the bond or banking security mentioned in this article is deposited, the security required from the property of the accused is not permissible. In this case, the losses of the private claimant shall be paid from the bond or the bank security.

Article 19. If the check has been issued on behalf of the owner of the account, whether an actual or legal person, the issuer of the check and the owner of the account shall both be responsible for the payment of the check, and the executive order and the ruling on the losses shall be issued on the basis of the responsibility of both. In addition, the signatory of the check, according to the regulations of this law, has the legal responsibility unless he proves that failure to pay is evidenced by the action of the owner of the account or his next representative, in which case the person who has caused the failure to pay shall be legally responsible.

Article 20. The civil responsibility of the endorser of a check shall continue on the basis of laws and regulations.

Article 21. Banks are responsible for closing all current accounts of individuals who have issued bad checks more than once and whose prosecution has resulted in the issuance of a bill of indictment and to refuse to open another current account for them for three more years.

The responsible member of the branch of any bank that does not act in accordance with the above-mentioned duty, according to each case, considering the circumstances, resources, number of times, and the offense, shall be sentenced to one of the punishments stated in Article 9 of the law of investigation of administrative violations by the Administrative Violations Investigation Committee.

Note 1. The Central Bank of the Islamic Republic of Iran is responsible for keeping a record of individuals who have issued bad checks regularly and place the list of the names of these persons at the disposal of all the banks in the country for the implementation of this law.

Note 2. The rules and regulations concerning the denial of the right of individuals to open a current account and the procedures to respond to the announcements of the banks shall be on the basis of bylaws that will be prepared within a period of three months by the Central Bank of the Islamic Republic and ratified by the Cabinet.

Article 22. If the accused is not accessible, the last address of the accused in the bank shall be considered his last legal residence and any sort of notification shall be sent to that address, unless the accused, in the manner stated in the penal adjudication regulations, has given another address.

Whenever the accused is not identified with the banking address or the address he has given or such a location does not exist, the verification of the official shall be regarded as notice of papers, and investigation shall continue without the necessity of summoning the accused through the press.

Article 22 of the law of issuance of checks ratified in Khordad 1344 [22 May-21 June 1965] is hereby nullified.

### Notes

Article 7 read as follows prior to amendment:

Article 6. Any person who commits violations stated in Article 2 shall be sentenced to six months to two years of misdemeanor jail term and according to the case...

Article 8 read as follows prior to amendment:

Article 7. Checks that are issued in Iran on banks located abroad and are not paid because of lack or shortage of funds in penal terms shall be subject to the regulations in this law provided the failure to pay the funds of the check has been announced to the issuer in an official statement.

Article 10 read as follows prior to amendment:

Article 9. Anyone who issues a check knowing that his bank account is closed, his action shall be regarded the same as issuing a bad check.

<sup>1</sup>From the vote on the Unified Process Ruling Number 31, Line 2/58, dated 16/12/1361 [3 March 1983].

...In cases when banks are in charge of collecting the funds of the checks on behalf of the holder of the check, the representation does not need to be explicated.

Article 13 read as follows prior to amendment:

Article 12. In the following cases, the issuer of the check cannot be prosecuted on the basis of the law:

- 1) If it is proved that he has given a signed blank check.
- 2) Whenever there is a condition stated in the text of the check for the collection of its funds.
- 3) Whenever it is stated in the check that the check is a security for a transaction or obligation.
- 4) Whenever, without it being stated on the check, it is proved that the collection of its funds depends on meeting a condition or the check was issued as security in a transaction or obligation.



5) If it is proved that the check was issued without a date or the actual date of the issuance of the check is prior to the date stated on the check.

In regards to this article, the testimony of witnesses alone does not prove the claim.

Article 14 read as follows prior to the amendment:

Article 13. If the issuer of the check or the beneficiary or their legal representatives instruct the bank in writing not to pay the funds of the check by stating clearly that the check has been lost, stolen, forged, or obtained through deception, violation of trust, or other offense, after verifying the identity of the person who has so instructed, the bank shall refuse to pay the funds, and if the check is presented to the bank, the bank shall issue and submit a certificate of nonpayment stating the reason.

The holder of the check may make a complaint against the person who has instructed the bank not to pay, and if the claim that has resulted in nonpayment is proved to be false, the person who has given instructions in addition to the punishment stated in Article 6 of this law shall be condemned to pay one-fourth of the amount of the check in psychological damages to the plaintiff and also damages for late payment (if asked) at 12 percent annually from the date of the presentation of the check to the bank.

Note. The interested party in this article is the person in whose name the check has been issued or endorsed or to whom the check has been transferred (or to whom the check is made out to cash and transferred).

Should the interested party instruct the bank not to pay, the bank is obliged to keep the amount of the check in a blocked account until a decision has been made by the examination authority or the instructor changes his mind.

Article 18 was as follows prior to amendment:

Article 17. If the funds of the check have not been secured legally, the examining authority is obliged to obtain a cash bond or bank security (which is valid until a decision is made) equivalent to the amount of the check or the portion for which complaint is made from the accused. If the issuers of the check are more than one person, the prosecuting authority may divide the amount of the bond or the banking security in proportion to each person's obligation, and if it is not known, equally among them.

If one of the accused persons has given the total amount of the check in bonds or banking security, appropriate security will be obtained from the other defendants.

In the instances stated in Articles 12 and 13, as long as the justified evidence and reason to prove the claim of the issuer of the check has not been obtained, the investigating authority shall collect the above-mentioned security.

Also, if the defendant asks for time to pay the funds in the check, the examining authority, if appropriate, may grant another month to him by obtaining other appropriate security. In this case, if the defendant does not pay the amount of the check within the period stated, the above-mentioned security shall be converted to bonds.

Note 1. If the bond or security stated in this article has been deposited, the security demanded on the property of the defendant is not permissible. In this case, the losses and damages of the private claimant must be paid from the bond or security funds.

Note 2. The examining authority is responsible to state the specifications of the check and the identity of the claimant on the summons, and the period between the date of notification of the summons and the stated date for the defendant to appear must not be less than five days. If the defendant takes steps prior to that date, as stated in Article 8, legal prosecution will stop.

Article 21 read as follows prior to the amendment:

Article 20. Banks are responsible for closing all the current accounts of persons who in three years have issued more than one bad check and whose prosecution has resulted in the issuance of a bill of indictment and to not open another checking account in their name for five years.

Any bank that fails to carry out the above responsibility shall be condemned to the regulatory punishment stated in Article 44 of the monetary and banking law of the country.

Prosecutor's offices also are responsible for informing the Central Bank of the issuance of the bill of indictment, and the above-mentioned bank is responsible for announcing in a circular letter to all banks the personal data of those whose accounts must be closed on the basis of this law and for whom no current account must be opened.

If the defendant is acquitted in accordance with the final ruling of the court, the prosecutor's office, upon his request, shall inform the Central Bank about it in order for the Central Bank to issue a circular letter to other banks stating that he is allowed to open a current account.

342, Penal Law

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